SIDA :
"Salaire Insuffisant Difficilement Acquis"
(*quote from SYECO union leader, Maniema province*)

Addressing the issue
of effective teacher payroll expenditure
in the DRC

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Contents

Chapter 1: Teacher payroll expenditure in the DRC

1. Structure of payroll expenditure

Surprisingly[1], the DRC treasury system is modeled on the French one as it existed in France in the 1960s[2]. The expenditure process has two major components: an administrative phase and an accounting phase. The first one consists of three consecutive steps: *l'engagement* (commitment), *la liquidation* (verification) and *l'ordonnancement* (payment order); the second one, handled by an accountant, is *le paiement* (actual payment).

- *L'engagement* is the stage where the Minister of Budget commits the state to a future financial obligation. Prior to any action, the Budget Control Division (*Division du Contrôle Budgétaire*) verifies the regularity of the commitment; in other words, checks the existence of correct budget appropriation and available credits and, finally, confirms (or not) that the nature of the expenditure is in line with corresponding appropriation;
- *La liquidation* is the stage where (in case of payroll expenditure) the *Direction de la Paie* (Budget Ministry) checks the validity of the debt thereby contracted and calculates the exact amount. From that moment, the debt becomes due and payable; in other words, legally binding;
- *L'ordonnancement* is the stage where the *Ordonnateur-Délégué du Gouvernement* (credit manager) instructs the *Trésor* (Treasury) or public accountant to pay the government debt previously contracted after approval of the financial controller;
- *Le paiement* is the final stage where the public accountant disburses money to honor the government debt.

The above steps clearly outline the duties of those who administer budget appropriations and those who manipulate cash. In principle, only public accountants have access to cash; they withdraw money from the bank and process the payment. To put it simply, the *ordonnateur* decides on expenditure; the *comptable* handles funds without interfering on their use or management. In addition, accountants are not the subordinates of the *ordonnateur* (or vice-versa); they depend on the Minister of Finance who is the ultimate *ordonnateur* and will eventually be controled and verified by the General Accounting Office (*Cour des Comptes*).

At this point, it might already be useful to briefly consider the liability issue for both *ordonnateur* and *comptable.* Theoretically, accountants can be held personally (and financially) responsible in case of irregularity[3] or deficit. (Bouley, pp. 9-10). In Africa, however, financial responsibility is hard to enforce since (i) *in casu* a public accountant's (official) income is unlikely to cover any form of embezzlement[4] (Bouley, p.22) and (ii) a poorly functioning (or corrupt) legal system often remains 'powerless' toward malpractice.

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[1] The DRC was colonised by Belgium, not France.

[2] Bouley D., Fournel J. and Leruth L., *How do treasury systems operate in Sub-Saharan Francophone Africa?*, IMF Working Paper WP/02/xx, March 2002. See also: Moussa Yaya, *Public Expenditure Management in Francophone Africa: a cross-country analysis*, IMF Working Paper WP/04/42, March 2004.

[3] "*Il est rappelé que le maniement des deniers publics relève de la responsabilité des Comptables Publics qui en répondent personnellement et pécuniairemen*t" (We remind that responsibility for handling public money incumbs on Public Accountants who can be held personally and financially liable). *Instructions relatives à l'exécution du budget de l'Etat*, 2006 (p.99). In Bukavu, a public accountant disappeared when a box (containing CDF 10,000,000 or USD 20,000) allegedly fell off the truck that transported money from the bank to the Division of Finance (November, 2006).

[4] In Goma a SECOPEP officer embezzled USD 80,000 (formula funding). He was finally arrested but could not reimburse the money. It would take years of seizure of salary to recover the money.

Similarly, answerability of *ordonnateurs* (and ministers) is 'not well defined'. For instance, who may question or establish ministerial responsibility over the relevance of an expense apart from procedural and legal irregularities that may occur? (Moussa, p.12) This is fundamental in terms of accountability and possible sanction for abuse. It appears that in the DRC only the *Inspection Générale des Finances* (General Finance Inspectorate) can blame ministers for wrongdoing; but 'sanctions' (if any) remain mainly symbolic and are not made public[1]. An equivalent of the French Court of Budgetary and Financial Discipline[2] (where, among others, sit magistrates of the General Accounting Office) does not exist. In the same way, ex-post control mechanisms of public expenditure such as the General Accounting Office and Parliament do (as of today) not fully play their role of ultimate auditors and "conscience of the nation". In addition, serious doubts prevail over their so-called 'independence'. For instance, the *Cour des Comptes* cannot be submitted to external audits; part of its staff (*conseillers* or counselors) is nominated (but also relieved of their duties) by the Presidency and texts do not specify any sanction for malfeasance[3]. It is therefore obvious that ethics are at the core of budgeting; no serious improvement of PEM systems can be expected if ill-intentioned public managers remain at the helm. The DRC CFAA (Country Financial Accountability Assessment)[4] further suggests a reinforcement of the body of *enquêteurs budgétaires* (budget investigators) within the Budget Control Division (*Direction du Contrôle Budgétaire*). However, and fundamentally, any (even justified) increase of (i) ex-post controls; and (ii) number of inspectors to enforce accountability is likely to remain a dead letter if impunity (and not sanction) is the rule.

The spending chain is characterized by a series of (often redundant) built-in checks or ex-ante control mechanisms, commonly called 'visas'. These are administrative procedures that mainly verify availability of funding, exact calculation, correct budget appropriation, conformity with (previous ex-ante) procedural requirements etc. at different stages of the process (Bouley, p. 8). In practice, however, these visas often are a mere 'technical' formality, i.e. additional signatures and stamps on documents. In principle, budget formalism should help safeguarding public funds; in Africa, however, the system has produced a highly hierarchic, slowly and poorly operating administration (Bouley, p. 26). Moreover, one of the characteristics and main weaknesses of this administration is "the multiplier syndrome"; every single service or operation is divided (and further subdivided) into a series of 'smaller' services. This enables the system (i) to opportunistically continue absorbing cohorts of idle civil servants via a network of clan-based appointments and patronage; (ii) to distribute money at all levels. For instance, one example out of many that may illustrate this perfectly is the endless 'red tape' university graduates have to face to obtain their original diploma. What should be a mere administrative formality and also a right turns into a never-ending 'bargaining exercise'; in the end students have to pay bribes and "other administrative costs" in different offices to accelerate the process.

Identical structures operate at provincial and more deconcentrated levels. The *ordonnateur* has local delegates in each province who in turn delegate authority to so-called *centres de*

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[1] According to a World Bank report on PEM in the DRC (Country Financial Accountability Assessment - May 2005), the IGF (*Inspection Générale des Finances*) did not conduct any significant audits in years 2003-2004. Apparently, IGF audits are mostly limited to specific demands from the Ministry of Finance (*missions ponctuelles*). The same report equally suggests that "***toute constatation d'erreur ou fraude doit déboucher sur une action correctrice ou une sanction****; en effet, seule la mise en cause individuelle permettra la prise de conscience de l'ensemble des acteurs de l'exécution du budget de lEtat*" (**any acknowledgement of error or fraud must lead to corrective action or sanction**; indeed, only if individual responsibility is engaged can this raise consciousness of all players involved) pp. 38-39.

[2] Even in France the Court is largely dormant. Sanctions are first and foremost symbolic ones and the cost is mainly reputational (Moussa, p.12).

[3] DRC CFAA (pp. 40-43).

[4] DRC CFAA (pp. 39-40).

gestion (or *centres d'ordonnancement*). Similarly, public accountants (*comptables d'état*) [1] work with subordinates, called *comptables subordonnés*. The central model is replicated at decentralised levels.

Figure 1 below provides a more detailed scheme of the normal expenditure process in the DRC (as of December 2006) with particular focus on teacher payroll expenditure in Kinshasa and relevant paper flow from the MOE to the Central Bank. Colored boxes indicate different key players: the MOE (blue), the Ministry of Budget (green), the Ministry of Finance (salmon) and the Central Bank (yellow). The flow also shows the four phases of the spending process (ELOP – *engagement*, *liquidation*, *ordonnancement* and *paiement*) and gives estimated, average (but not official)[2] implementation delays. Key steps are the following:

1. Commitment -Verification

- SECOPE [3] calculates teacher payroll amount by province (and *CaisCongo*) and ships *listings* (salary printouts) to SECOPEP provincial offices;
- The MOE transmits the payroll amount (including apportionments by province and *CaisCongo*) to the Budget Minister;
- The Budget Minister issues a commitment voucher (*bon d'engagement*); in other words, commits the state to a future payment of teacher salaries;
- SECOPE transmits the payroll to the Pay Office (*Direction de la Paie*) with a list of beneficiaries and accredited accountants (*la répartition*);
- The Pay Office verifies accuracy of figures and names (payroll amounts, beneficiaries, accountants) and signs/stamps the *listings* of Kinshasa (that is, a team of agents *literally* marks every page);
- After verification, the Pay Office transmits the expenditure to the Budget Minister for approval;
- The Budget Minister issues the *état de liquidation* that validates the payroll expenditure; from now on, the debt is binding;
- The Pay Office introduces the expenditure into the computer system that records all stages of the spending chain[4] (in fact, somebody walks to the C.I.I. office with a USB flash disk);
- Concurrently, the Budget Control Division (*Division du Contrôle Budgétaire*) proceeds to a series of ex-ante assessments to check conformity (i.e. verification of budget appropriation and available credits); then successively issues the *vignette d'engagement* and *vignette de liquidation* (commitment and verification slips) to confirm the expenditure. This decision is equally introduced into the (computerised) spending chain;

2. Payment Order - Payment

- The payroll expenditure arrives at the *Direction du Trésor et de l'Ordonnancement* (Ministry of Finance) where payment orders are centralized and processed. The *Ordonnateur-Délégué du Gouvernement* (OD) or credit manager verifies the figures (totals) and transmits the file his technical team at the Process and Control Unit (*Cellule de Saisie et Contrôle*) [5]. At this stage the OD can access the spending chain (C.I.I.) to check the regularity of ex-ante operations;

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[1] Their official name is *Comptable Public Principal des Dépenses* (CPPD).

[2] There exists an official time and date calendar for payroll expenditure (Interministerial Decree N° CAB/MIN/FP/BUDGET/FIN/026/2004) which is not always implemented in a timely manner. Estimates on charts were provided by key players at different stages of the expenditure chain (Annex 32). In principle, Ministries should introduce their payrolls to the Pay Office two months before processing. *Instructions relatives à l'exécution du budget de l'état*, 2006 (p. 45)

[3] SECOPE stands for *Service de Contrôle et de la Paie des Enseignants* ; SECOPEP is a provincial office.

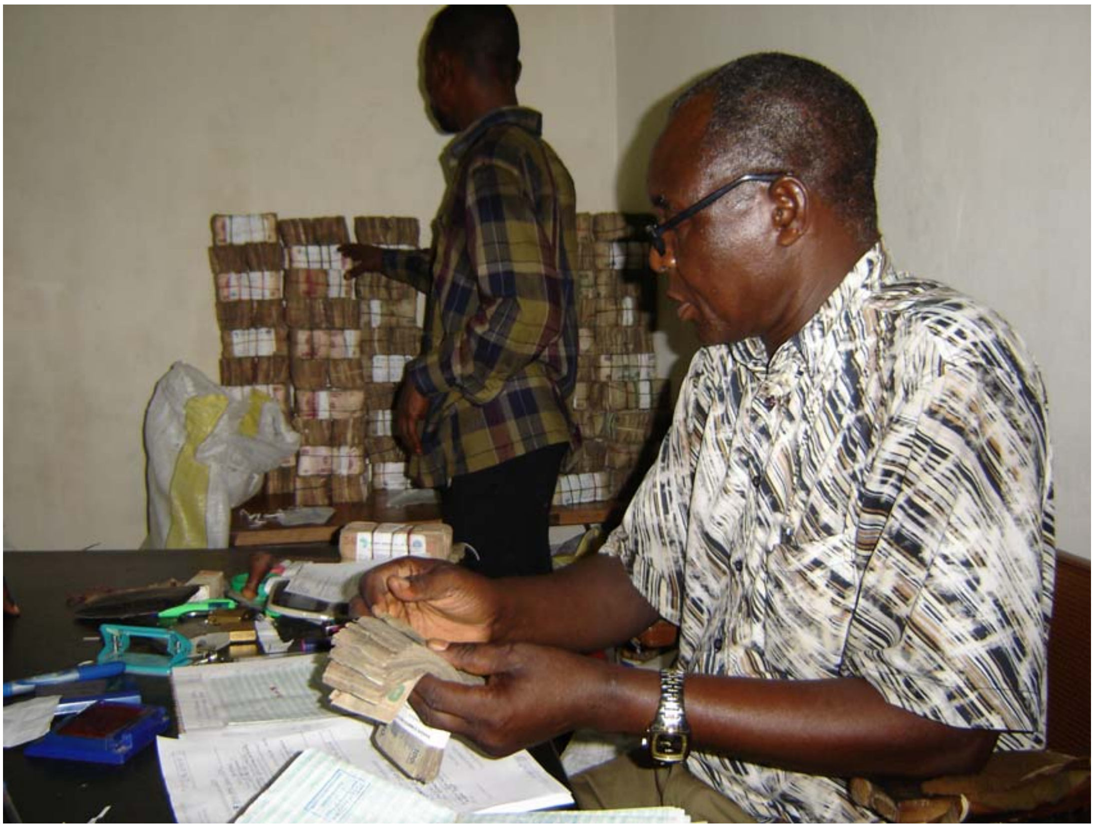
[4] The computer system is operational since 2003 and is called the Coordinated Interministerial Computer System (*Coordination Informatique Interministérielle*). The system records all stages of the expenditure chain (*la chaîne de la dépense*) to ensure transparency and better tracking of public expenditure. It involves both Ministries of Budget and Finance.

[5] Former *Cellule de Liquidation* (Verification Unit).

- The Process and Control Unit determines the pay mechanism (*mode de paiement*) and the accountant code (*code payeur*); in consultation with the Central Bank (*la programmation* or planning) the unit then formally identifies both bank and accountant that will proceed to actual payment. This is referred to as *ordonnancement provisoire* (provisional payment order) of the expenditure;
- The Treasury Office (*Division du Trésor*) visas the expenditure and forwards a (recapitulative) list of provisional payment orders (*liste des ordonnancements provisoires*) to the Minister of Finance for final approval before payment;
- The Minister of Finance signs the provisional payment orders. This is called *ordonnancement définitif* (final payment order);
- The Treasury Office issues a *Certificat de transfert d'un ordre de paiement informatisé* (OPI). This (electronic) formal payment order forwarded to the Central Bank contains all relevant details of the expenditure (amount, beneficiary, accountant, bank, secret codes etc.);
- The public accountant receives a copy of the OPI and returns it to the OD who then issues an *attestation de paiement* (in reality, an order check);
- The accountant picks up the SECOPE *listings* (including apportionments) from the Pay Office, identifies himself at the bank[1] and withdraws the money;
- The accountant transports the money to his office (e.g. public accountant 0406 in Kinshasa has his office at the Ministry of Civil Service) where it is stored;
- School heads cash their teachers' salaries and sign a *bon provisoire de caisse* (provisional receipt);
- Schools are expected to return signed *listings* (*listings acquittés*) and a pay report (*rapport de paie*) to the accountant within 10 days of receipt;
- The accountant forwards (original) signed *listings* and the *attestation de paiement* to the General Accounting Office (*Cour des Comptes*) for justification;

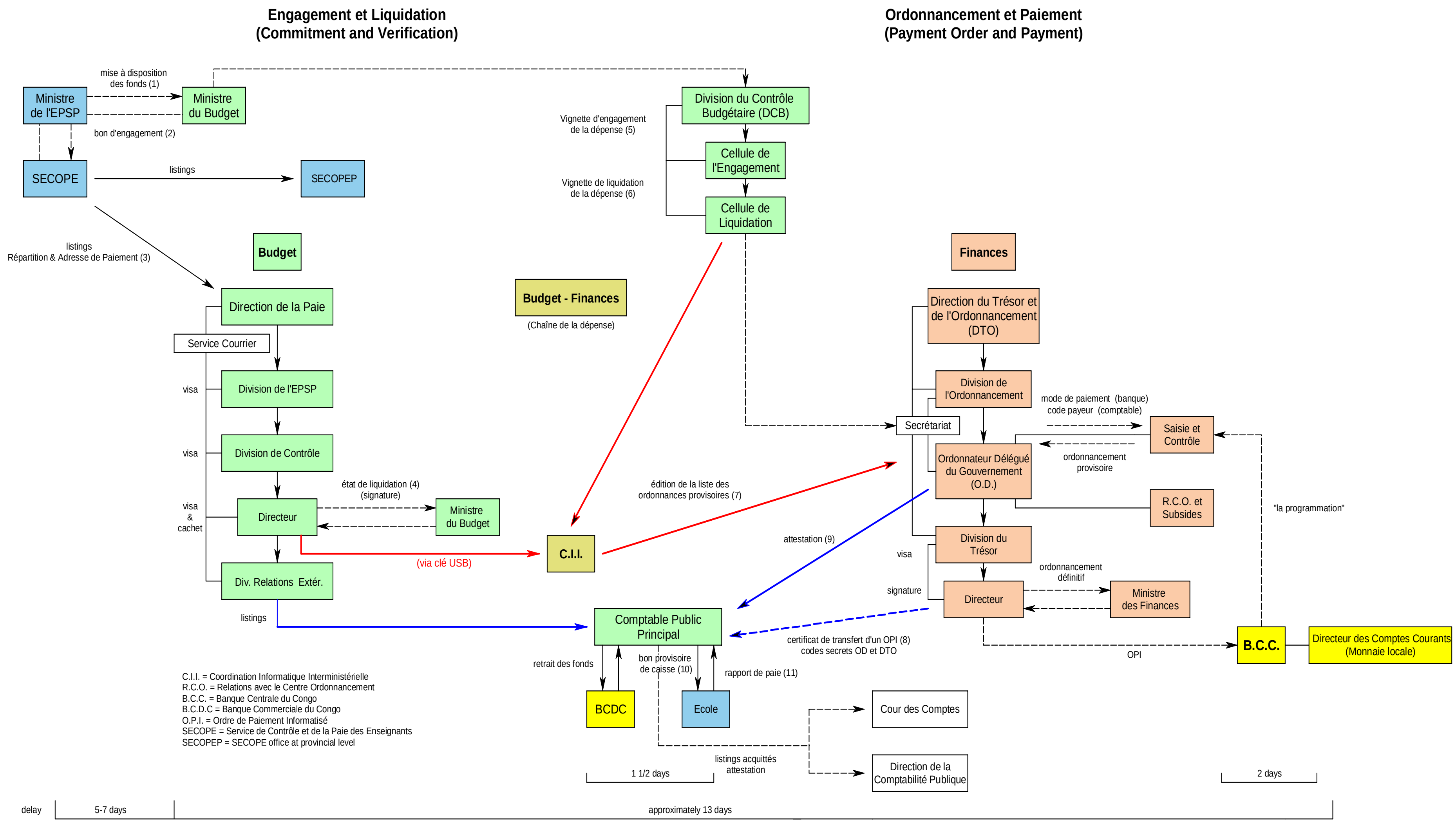
[1] In theory, s/he submits the following documents: *attestation*, ID card and the *commission de comptable public* (accreditation letter).

Pictures 1-2. Public accountant 0406 transports CDF 80,000,000 (USD 153,850) of teacher salaries (3d instalment, pay of January 2007) from the BCDC to his office. (Kinshasa, 2007)



Picture 3. Public accountant 0406 proceeds to payment of teacher salaries at his office in the basements of the Civil Service building (Kinshasa, 2007)

Figure 1.
Teacher payroll expenditure:
Normal Spending Process (ELOP)



Figures on the chart refer to annexes

Source: Johan Verhaghe, December 2006

2. Payroll processing at provincial level

2.1. "Standard route": case of Lubumbashi

Figure 1 shows that part of the spending process that precedes the payroll expenditure phase at provincial level and that is processed in the central Ministries of Budget and Finance. Figures 2-3d focus on payroll mechanisms in the provinces of Katanga, North-Kivu, South-Kivu, Maniema and Bas-Congo. Even a brief, superficial glance at the diagrams reveals a system that is incoherent and not implemented in the same way across the country; and this despite uniform instructions applicable to all provinces[1]. However, the delivery process basically remains unchanged and is structured around the following key players: SECOPEP and MOE (blue), banks (yellow), Ministry of Finance (brown), school networks (grey) and Pay Commission (green for Budget, red for Civil Service). At the bottom of the charts, time delays (in estimated number of days) shed some light on implementation issues. Finally, numbers between brackets refer to clarifying key documents in the annexes.

To avoid redundancy, the study will refer to Lubumbashi (Katanga) as a sort of 'norm' for teacher payroll expenditure at provincial level. Remaining diagrams then should further illustrate how very inhomogeneous the system is on the ground. Lubumbashi (Figure 2) is of interest for different reasons. First, two distinct pay mechanisms co-exist side by side (one for teachers *debout*[2] and one for teachers *assis*). Second, various formal payroll procedures are still in use (though no longer operational elsewhere); and finally, all key actors are involved in the process; no one is excluded.

Successive steps in the expenditure chain are:

1. '*Enseignants debout*'

- SECOPE forwards *listings*[3] to SECOPEP (generally, *listings* travel in boxes by air cargo). Concurrently, the Central Bank sends an *ordre de virement* (OV) via e-mail to the provincial outlet. An OV is a formal transfer order that instructs local banks to proceed to payment. Basically, it is a list of allocated amounts and corresponding beneficiaries (including workforce or *effectifs*). Note that teacher and civil service salaries figure on the same OV;
- The local bank manager (BCC) transmits a copy of the OV to the OD who contacts SECOPEP. Together they verify conformity of SECOPEP breakdowns (*la ventilation*) and the amount available on the OV. Breakdowns are apportionments co-signed by PROVED, SECOPEP and OD. They determine amounts allocated to beneficiaries grouped by *CaisCongo*. In the case of Lubumbashi, SECOPEP also joins a list of paymasters (*agents payeurs*) who are qualified accountants from school networks;
- The OD '*éclate les montants*'[4] (i.e., apportions the amounts attributable to different beneficiaries) and issues an order 'check' payable to public accountants. These checks differ according to their destination. An O.P. (*ordonnance de paiement*) is a check that can only be cashed in commercial banks; an O.E.F. (*ordre d'envoi de fonds*) is a pay order to the Central Bank of Congo and an O.T. (*ordonnance de transfert*) instructs an inland bank to liaise with the local OD (*centre d'ordonnancement).* The latter then complies with standard payroll procedures, apportions (*ventile*) the O.T. and issues a

[1] Circulaire N° 001/CAB/MIN/BUDGET/2006 of February 23, 2006 *contenant les instructions relatives à l'exécution du budget de l'état pour l'exercice 2006* (*Encadrement de la paie en provinces*), pp.107-108.
[2] Teachers '*debout*' (standing) are teachers in the classroom; teachers '*assis*' (sitting) are administrative staff.
[3] *Listings* are printouts of teacher payrolls issued on a monthly basis.
[4] This is a quote from the OD in Lubumbashi. ODs, accountants etc possess their proper lingo.

local O.E.F. In principle, checks are delivered in consultation with the Central Bank. In Lubumbashi the BCC traditionally commits to a payment of ¼ of the salary envelope; the difference is then ensured by commercial banks. Reportedly, the OD always first inquires on availability of cash prior to signing a check;

- Public accountants (CPPDs) withdraw the money; in doing so, they literally pile up 'bricks' of cash on the floor at the bank. At this stage, SECOPEP may oversee the payment to ensure correct apportionment of funds;
- Accountants or representatives of school networks sign receipts (*décharges*) and transport the salaries in bags to their respective offices;
- School heads pick up their teachers' salaries at the offices of the *gestionnaires* (administrators of networks) and sign a receipt;
- Teachers receive their pay and sign next to their name on SECOPE payrolls or on school payrolls. Schools keep one copy of the signed payrolls (*états de paie acquittés*). In principle, other copies (including the original) return to the *gestionnaires*, SECOPEP and the public accountant. The latter needs a copy to justify the expenditure;

2. '*Enseignants assis*'

In the DRC, part of the MOE administrative staff still figures on Civil Service payrolls[1] and has a Civil Service reference number (*matricule*) next to their SECOPE number. Logically, this group is paid by the Ministry of Civil Service, not by the MOE. That is why, in Lubumbashi, their salaries take a different route and are processed by the Pay Commission (Annex 19).

According to the Ministry of Budget the mission of *La Commission Technique Permanente de la Paie* (commonly called *Commission de la Paie*) is "to supervise and strengthen the capacity of the Provincial Pay Office for controlling **all services that benefit from payment of salaries by the Public Treasury"**[2] (bolds are mine). Unmistakably, this also applies to teacher salaries. Moreover, instructions further specify payrolls should be duly approved by local or provincial authorities (*dûment approuvées par l'autorité provinciale ou locale*); in other words, by the Governor. In a way, the clause undeniably appoints provincial Governors ultimate (and eventually all-powerful) *ordonnateurs*; they have indeed the power to validate or invalidate payrolls. Pay Commissions are (officially) composed of five members[3] :

- Division Head of Budget (President);
- Head of the Pay Office (Permanent Secretary);
- Division Head of Finance (member);
- Division Head of Civil Service (member);
- Manager of the local Central Bank of Congo (member).

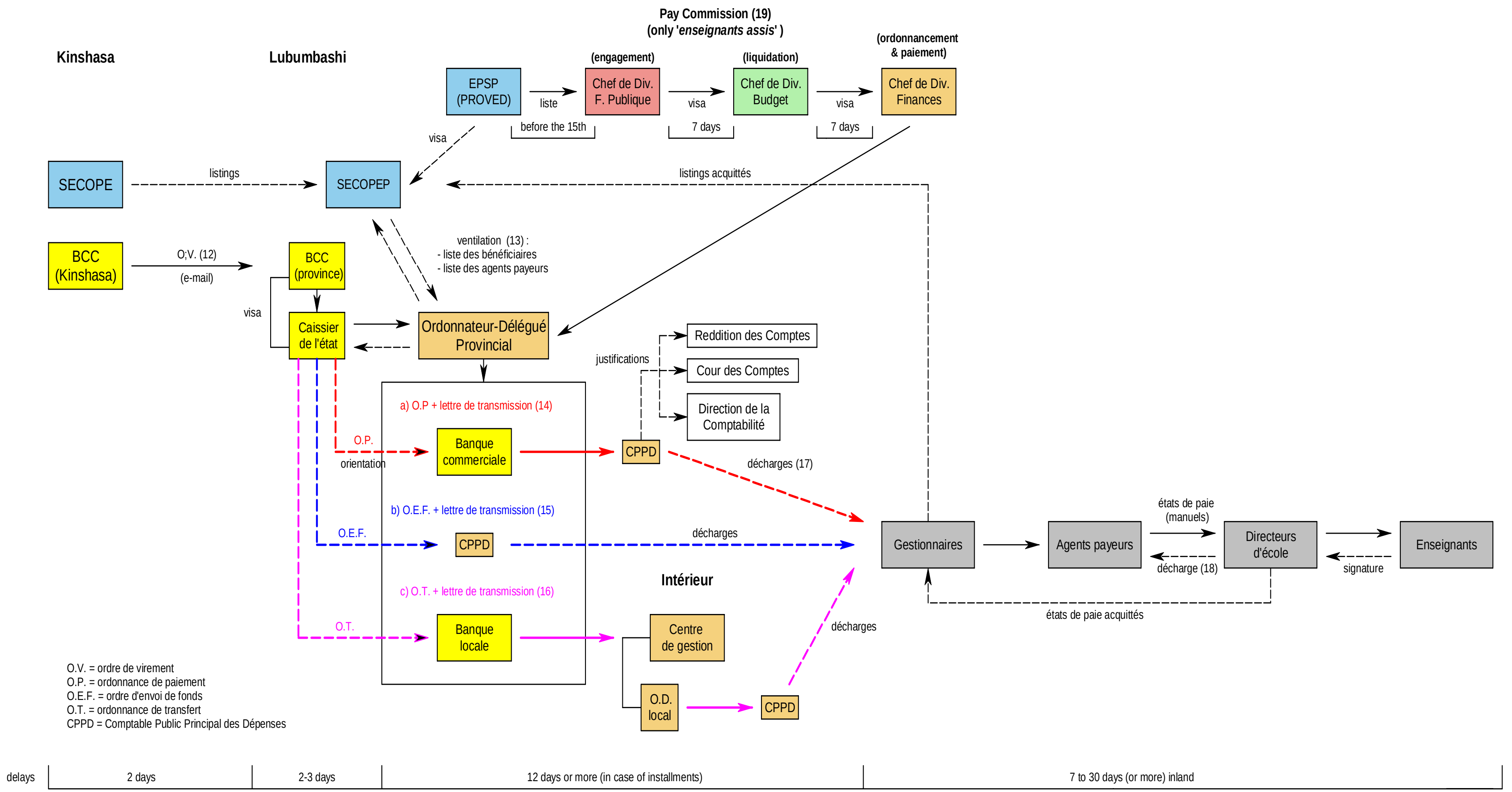
Concretely, how do these Commissions operate on the ground? The following is the 'standard' procedure. All Division Heads within the Ministry of Civil Service are required to provide (handwritten or manual) payrolls to the Commission. These payrolls are due on

[1] According to SECOPE (i) their number should not exceed 1,000; (ii) their presence is limited to big urban centers and (iii) school heads do not belong to this category. However, their names do appear on SECOPE lists and are marked 'FP' (short for *Fonction Publique*). In reality, they receive a salary top-up that levels gaps between Civil Service salary scales and those of teachers (Annex 33, payroll from Bukavu, December 2006).

[2] *La Commission a pour mission d'encadrer et de renforcer les actions du Bureau Provincial de la Paie en matière de contrôle de paie* ***de l'ensemble des services rémunérés par le trésor Public***. (*Encadrement de la paie en provinces,* p. 107).

[3] *Le Chef de Division Provinciale du Budget, le Chef du Bureau Provincial de la Paie, le Chef de Division Provinciale des Finances, le Chef de Division Provinciale de la Fonction Publique, le Représentant Provincial de la Banque Centrale du Congo.* Reportedly, some provinces have a different composition.

Figure 2.
Teacher payroll expenditure:
Payroll processing at provincial level
(Lubumbashi, Katanga)



Figures on the chart refer to annexes

Source: Johan Verhaghe, December 2006

the 15th of every month and must be visaed and approved by the Commission. For instance, the Division Head of Agriculture draws up a nominative list of the registered employees. This list first enters the Civil Service Office (*engagement)* that verifies conformity of numbers (*matricules*) and rank (*grades*)[1]. This is called '*conformité administrative*'. The list then arrives on the desk of the Budget Office (*liquidation*) that checks conformity of salary scale, rank and allocated salary. Finally, the Finance Office (*ordonnancement et paiement*) compares available credits (OV) with payroll amounts before issuing a formal payment order. This unwieldy procedure may take up to two weeks or even more. In reality, payrolls do not vary that much every month. As said before, these ex-ante control mechanisms are essentially formal and limited to signatures and stamps. Moreover, in Lubumbashi, Budget, Finance, Civil Service and MOE offices are located on one and the same spot; this should at least accelerate the paper flow. Finally, and to a certain extent, the word 'Commission' is a bit misleading as it is just a 'string' of offices where payrolls circulate. However, the Commission may decide to meet "*chaque fois que c'est nécessaire*"[2] (whenever it is necessary). Reportedly, these *ad hoc* meetings occur when payrolls and OV do not match and decisions are necessary on "reallocation" of surpluses.

2.2. Absence of norm

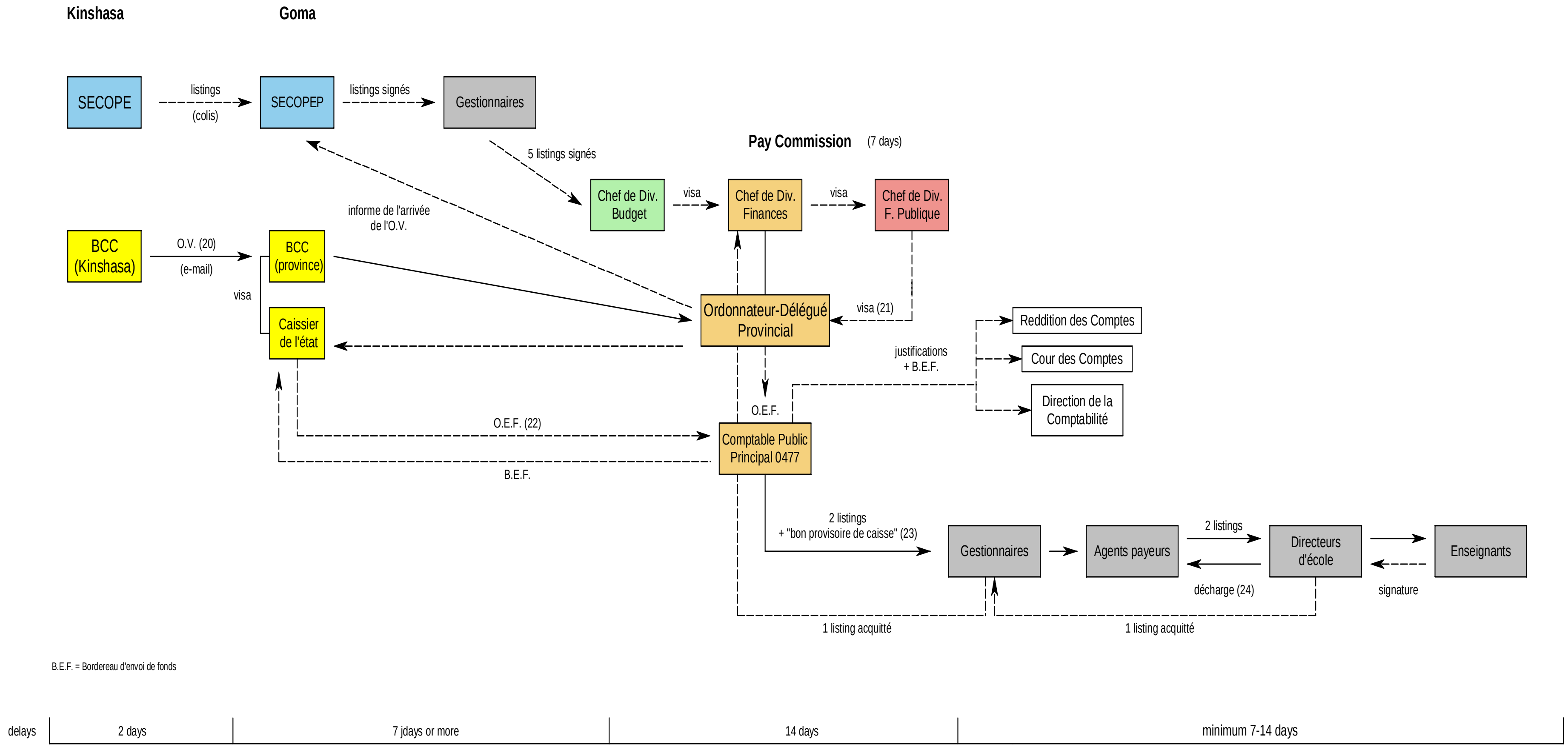
Figures 3a-3d show how instructions from central Ministries are finally implemented differently on the ground. In Lubumbashi and Bukavu Pay Commissions do not interfere (anymore) with teacher salaries. But in Goma, Bas-Congo and Kindu, for instance, they still do[3]. According to instructions, the 'structure' of Pay Commissions should only involve the Ministries of Budget, Finance and Civil Service but Bas-Congo (Figure 3d) adds the Ministry of Interior to the list. In Kindu (Figure 3c), the *gestionnaires* are completely shut out of the payroll process; they do not even receive a copy of the *listings*. In Bas-Congo 2, SECOPEP Mbanza-Ngungu travels to Matadi every month to pick up the OV (in a sealed envelope) acting as errand boy for the Ministry of Finance (OD). The number of "*pièces justificatives*" (copies of listings) required by accountants and Pay Commissions varies from province to province; and so on. These incoherencies certainly suggest (i) the absence of a strong central authority; (ii) recourse to improvisation because of imprecise, ill-defined implementation rules and (iii), subsequently, a local interpretation of texts obviously biased by underlying motives of personal gain and/or abuse of power, to name just a few. Comments below will briefly highlight some of these recurrent inconsistencies and their inevitable (negative) impact on the payroll system.

Marginal role for SECOPEP

Today the role of SECOPEP is limited solely to establishing payrolls or providing *listings* and does not correspond anymore to the original mission outlined in the Ministerial Decree of January 1992 (Article 2), "*Participer au paiement des effectifs du Ministère de L'EPSP*" (participate in the processing of the payroll of the MOE)[4] – although one must admit that the term "*participe*r" is also imprecise and may need to be better defined. However, the same Decree (Article 11) explicitly states that one of the tasks of SECOPE(P) is to provide detailed reports on (among other things) *le maniement des salaires* (payroll management); in other words, SECOPE has invested authority to control *gestionnaires* and school heads on payroll processing. In Goma (Figure 3), SECOPEP is simply confined to a role of looker-on; here the

[1] Civil servants and teachers have *grades* (ranks) and é*chelons* (grades). Grades refer to job experience. For instance, a teacher with grade 1 (*échelon 1*) has 3 years experience as a teacher.
[2] This is a quote from the Head of the Pay Office (Lubumbashi).
[3] Table 3 (page 25) gives an overview of Pay Commissions by province.
[4] Ministerial Decree N° MINEPSP/CABMIN/001/00085/92 of January 30, 1992 (p. 2). The Decree modifies the text of 1985 (N° DEPS/CCE/001/0121/85 of September 24, 1985).

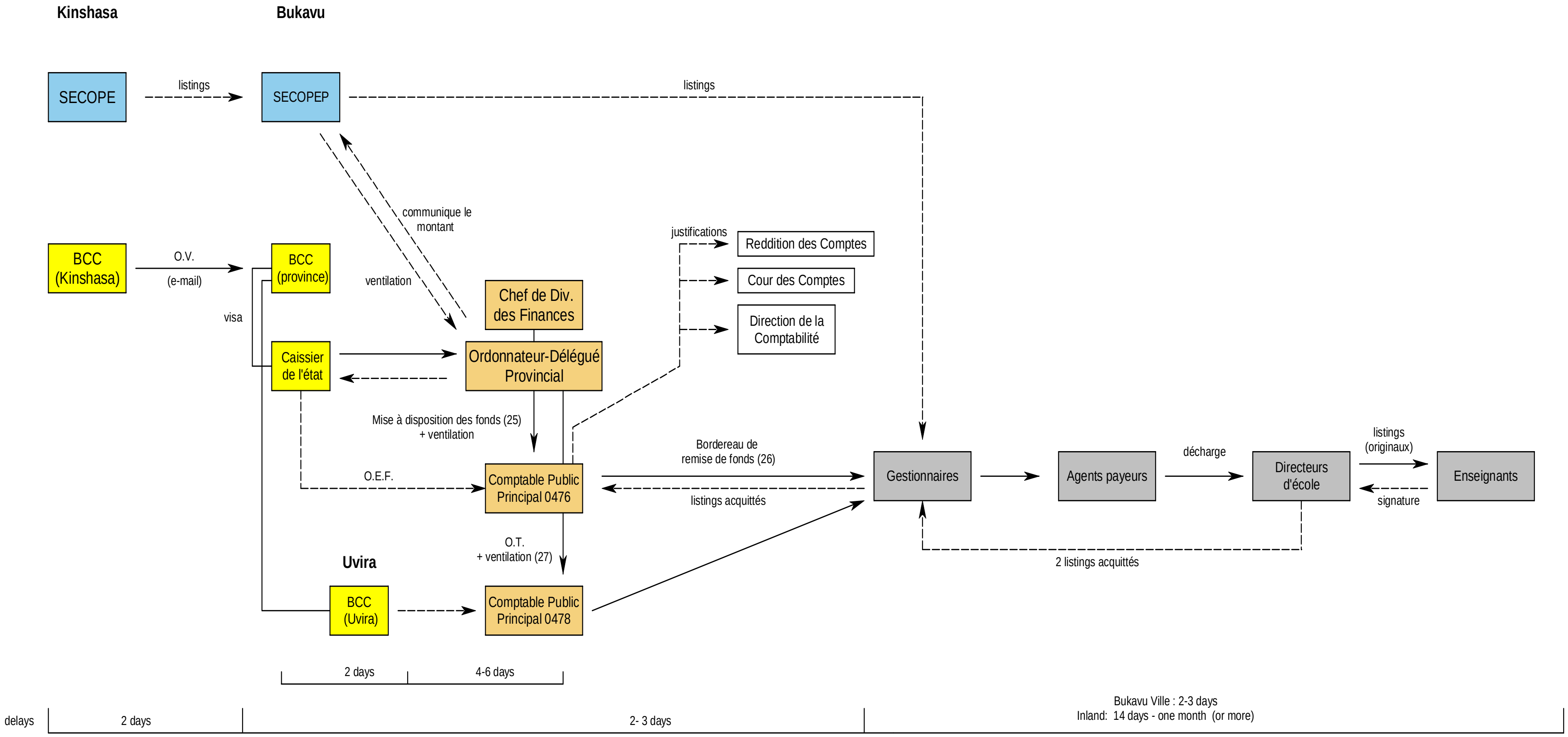
Figure 3a.
Teacher Payroll Expenditure:
Payroll processing at provincial level
(Goma, North-Kivu)



Figures on the chart refer to annexes

Source: Johan Verhaghe, December 2006

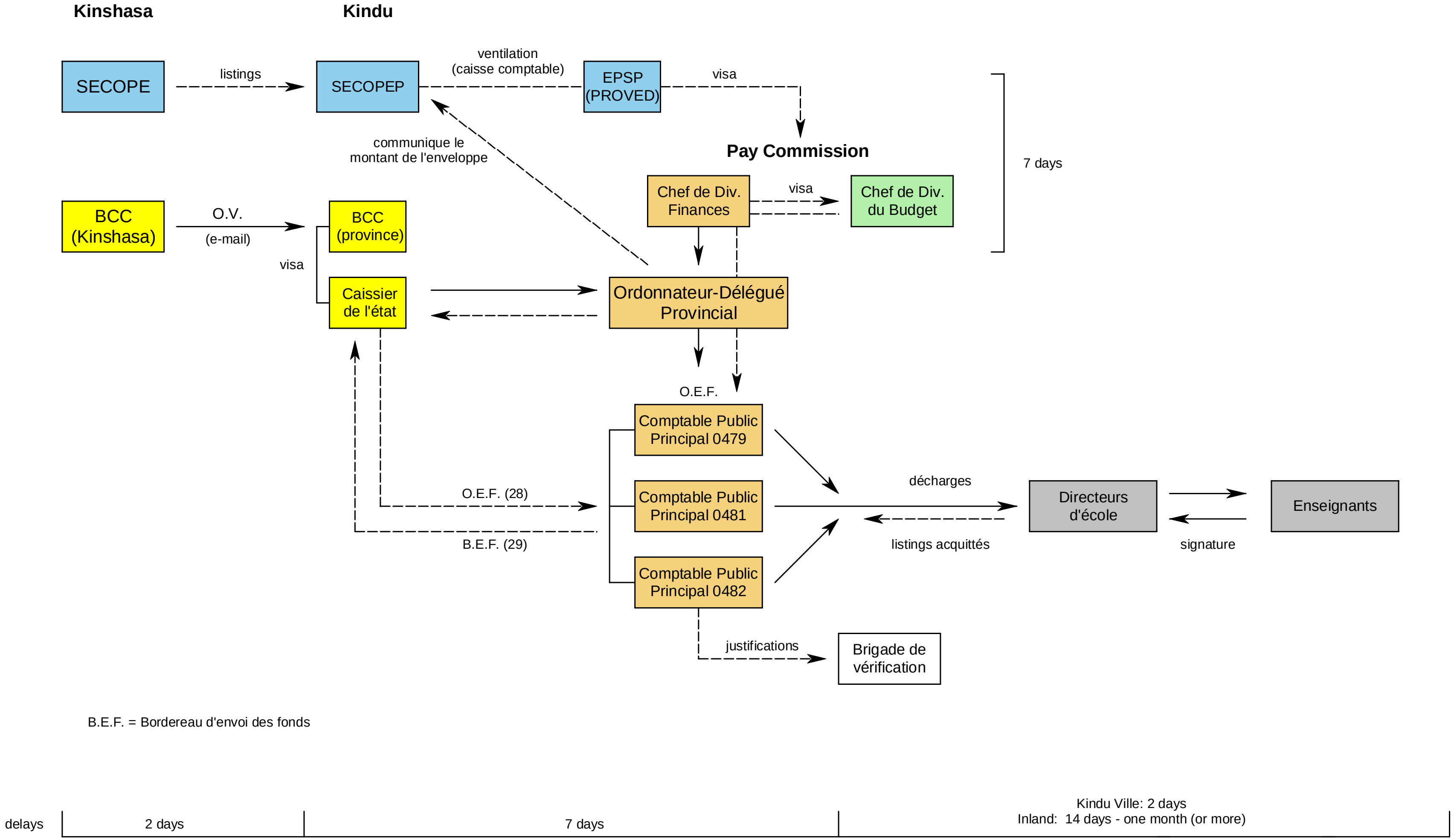
Figure 3b.
Teacher Payroll Expenditure:
Payroll processing at provincial level
(Bukavu, South-Kivu)



Figures on the chart refer to annexes

Source: Johan Verhaghe, December 2006

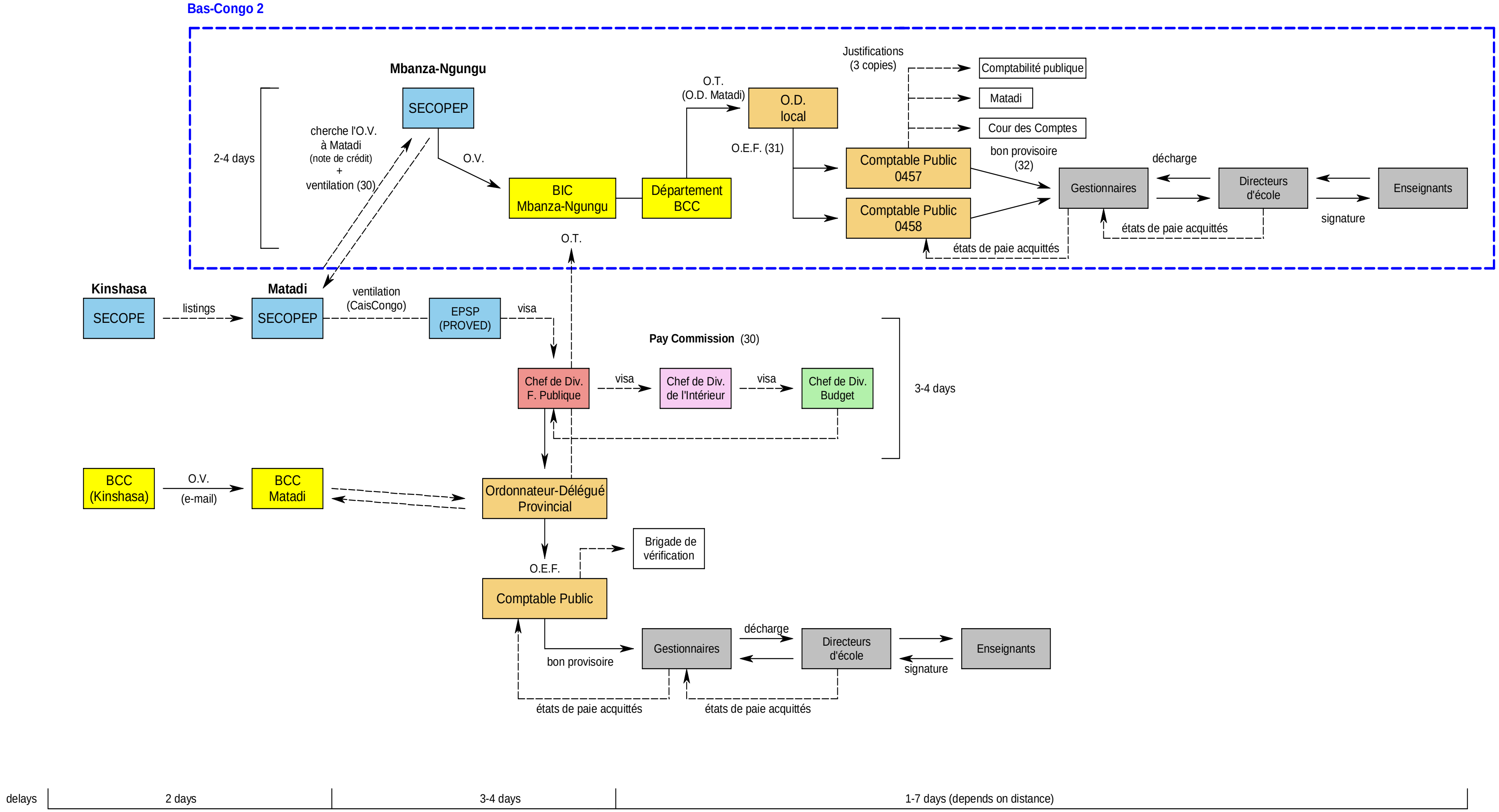
Figure 3c.
Teacher Payroll Expenditure:
Payroll processing at provincial level
(Kindu, Maniema)



Figures on the chart refer to annexes

Source: Johan Verhaghe, December 2006

Figure 6.
Teacher Payroll Expenditure:
Payroll processing at provincial level
(Mbanza-Ngungu, Bas-Congo 2)



Figures on the chart refer to annexes

Source: Johan Verhaghe, December 2006

gestionnaires are responsible for introducing *listings* into the Budget Office and ensuring the follow-up. Far more troubling, the OD (Ministry of Finance) does not even disclose the amount of the OV to SECOPEP; the latter has to resign in drawing up payrolls without knowledge of the budget. It is obvious that this leaves the door wide open to malpractice.[1]

In principle, and quite logically, an OD should not authorize withdrawal of money if *listings* are not available[2]. Reportedly, the OD in Goma (who depends on the Division Head of Finance who in turn acts as a Member of the Pay Commission) does not always stick to that rule. He may issue a payment order even if teacher payrolls are still on their way. This triggers immediate concern over safe storage of cash; not to speak of rumors that promptly start flying over (alleged) secret monetary transactions. When the accountant complained about insufficient security measures, the *gestionnaires* (halfheartedly) accepted to contribute money for placing iron window bars in his office. They equally participate in paying policemen that guard the building overnight. Why then take so many risks if the money can be kept safely at the bank?

Picture 4. The *Ordonnateur-Délégué* of North-Kivu in his office.
(Goma, December 2006)
In theory independent, in practice subordinate.

[1] Access to information is a prerequisite for transparency. For instance, Pay Commissions may easily camouflage any budget surpluses (*reliquats*).
[2] Besides, one of the reasons for late payment of salaries is (real or alleged) asynchrony between *listings* and OV This is often used as an excuse for delaying payments.

Endless red tape

One of the really annoying side-effects of Pay Commissions is interminable and costly bureaucracy. In Goma, g*estionnaires* are required to xerox at least 5 copies of every payroll every month[1]. Copies are needed for filing by each intermediary (SECOPEP, *gestionnaires*, Budget, Finance, Civil Service, schools) and they all have to sign on every single payroll. Needless to say this can easily take two weeks or more; in the mean time, teachers are apathetically waiting for their salaries. What is even more disconcerting, these 'visas' and so-called verifications are in reality mere window-dressing; how many of those 600 or more payrolls are effectively checked? Signing payrolls quickly turns into an automatic, unconscious operation; nobody really cares. In Kindu (Figure 3c), the Division Head of Finance admitted signatures were a mere formality and that in the end they did not even sign *listings* anymore but only the SECOPEP apportionments (*la clé de répartition*). In December 2006 (period of research for this study), the OD did not even wait for those signatures to issue a check (O.E.F.). That being said, the system deliberately (and underhandedly) maintains a fine line between 'service provision' and power. In a recent letter[2] to the Governor, the PROVED of Goma complains about the flaws in the current payroll system. He mentions "*la lenteur dans le traitement des listes*" (the slowness of processing payrolls) but also "*l'indisponibilité de certains membres pour viser les listings*" (nonavailability of certain members to visa the listings). This is a recurrent and well-known phenomenon. Public accountants, members of the Pay Commission etc "*se font rare*" (become scarce); in other words, they make people feel how important and irreplaceable they are. How to calculate the human cost of those long waiting hours, absenteeism ("*le chef n'est pas là*") and tiresome to-ing and fro-ing between offices? How much suppressed frustration in order not to upset somebody 'important' for fear of retaliation? By way of example, Annex 34 (payroll Islamic network, North-Kivu) shows how the circuit of the Pay Commission can considerably delay payment of salaries (18 days between introduction of payrolls at the Finance Division and acknowledgement of receipt by the school head).

Unaccountable public accountants

Public accountants are frontline providers. They handle the cash; they are also in a position of power and potential abuse. First, it is evident accountants are part of a hierarchical order; they receive instructions from the OD who in turn acts under the authority of the Pay Commission (headed by both Ministry of Budget and Governor). Despite their theoretical autonomy, OD and public accountant may not act independently. In practice, they certainly do concert[3]; at worst, they simply obey orders from their superiors. Second, accountants make up an extremely heterogeneous body across the country. Some do their job (more or less) conscientiously; others do act as local 'potentates'. Often-heard complaints are their "*mépris envers les gens*"[4] (disrespect toward people) and their capricious behaviour. For instance, they may open and close their offices as they please; arrive late and leave early; determine when they go to the bank etc. Do they indeed not possess the key of the register? In Kindu (Figure 3c) accountants may decide on a whim not to travel inland thus delaying salary delivery *sine die*[5]. School heads then prefer to travel themselves to pick up their teachers' salaries.

[1] In the 1986s, there were only 3 copies; one for the school, one for the *gestionnaires* and one for SECOPEP. In Mbuji-Mayi (Kasaï-Oriental) school networks have to process 9 copies (see handwritten report of the Catholic *Coordinateur diocésain*, January 2006).
[2] Letter N° MINEPSP/PROVED/NK1/800/2/533/2006 of November 13, 2006.
[3] Reportedly, in Kisangani (Orientale Province) OD and accountant share the money they deduct from teachers' salaries (Report from SYECO teacher union, January 2006).
[4] This is a quote from Coordinators of religious networks (Goma).
[5] In February 2006, schools from district Kasongo (Maniema) had to wait three months for their salaries just because the accountant decided not to travel. *Le déroulement de la paie des enseignants dans la province du Maniema*, March 2006 (Catholic network).

Accountants also exercise authority on practical issues such as ‘power of attorney’ (e.g. a school head from remote areas has been officially authorized by peers to collect their pay); or return of signed listings (a condition *sine qua non* before new payment) etc. This sort of recurrent management issues related to local realities (e.g. distance) may easily become a source of extra revenue ‘to speed up’ the decision process. When accountants transport cash from the bank to their office they systematically deduct lump sums (see Table 1) from teachers’ salaries under the excuse of expenses incurred for car hire, gas purchase, handling, packaging, risk etc. True, they have to face logistical challenges; however, why then do they not justify the expense and why do they never sign receipts? Again, accountants consciously walk a fine line between what is legal and illegal, justified and unjustified; in the end they still set the rules anyway. Finally, and more troubling, numerous, country-wide reports accuse accountants of embezzlement or malpractice. In Kindu, some of them allegedly use teacher salaries to do business. They buy gold and casseterite in Punia and then sell it in Goma (or Rwanda). In the mean time, teachers are not being paid. Clearly, operations of that nature need a network of complicities; or at least a protective hand from above. “*Les comptables d’état de la Division Provinciale des Finances détournent les salaires des enseignants et restent impunis parce qu’ils ont des parapluies au niveau provincial*”[1] (Public accountants from the Provincial Division of Finance embezzle teachers’ salaries and remain unpunished because they have an umbrella at provincial level). Every month, accountant 0502 of Kikwit (Bandundu) withholds the salaries of Idiofa for two weeks; reportedly, using the money for personal gain[2]. Table 2 below gives an idea of misappropriation of public funds (teacher salaries) by public accountants, grouped by province. Certainly incomplete but mostly based on written statements from local education stakeholders (a.o. teacher unions, SECOPEP, school networks, PROVED etc), the figures nevertheless reveal how widespread and entrenched these practices are. In remote areas, things can even get worse or may completely run out of control. By way of example, SYECO union leader Equator relates an ongoing conflict in the Tshuapa district The story is of a certain interest because it discloses (i) unauthorized involvement of local administration in payroll management; (ii) a clear, manifest example of retaliation against a subordinate. The anecdote goes as follows. The *agent payeur* (accountant and/or paymaster) from the *Sous-Division* of Befale (S/PROVED[3] office) informs his superior of the fact that public accountant 0467 dishonestly deducted CDF 200,000 (USD 400) from the pay of September 2006. Naturally, the S/PROVED complains about this behavior to the provincial authorities. Upset, the *Commissaire de District*[4] (CDD) of Tshuapa decides to open disciplinary action against this paymaster who righteously denounced the misuse. (At this point it is not very clear why the CDD meddles in this affair unless it suggests connivance with the public accountant). Anyhow, the CDD instructs (sic!) the local OD to replace this person by a relative of the *Commissaire de District Adjoint* (Deputy of the CDD) and to establish a new team of paymasters (including a secondary school inspector!). Reportedly, this team has started paying teacher salaries since October 2006 and is still operational (as of February 2007). The same source indicates the team first deducted CDF 160,000 (USD 320) from the pay of October 2006 (to meet the costs of their official installation) and then also refused to pay 34 teachers (CDF 324,000 or USD 648). The same situation was repeated in November 2006 and this time a number of additional teachers[5] were equally removed from payroll (equivalent of CDF 180,000 or USD 360). This incident is certainly not an isolated case. In Punia (Maniema), for instance, school heads acquiesce in

[1] Idem.
[2] The amount is CDF 116, 497,406 (USD 219,806). Source: Catholic Coordinator in Bandundu, January 2007.
[3] *Mouvement de paie des enseignants dans la province de l’Equateur*, December 2006, pp. 6-7. Handwritten letter (in Lingala) from the accountant (Annex 35)
[4] Former *Commissaire de Zone*. S/he represents the Governor at district level.
[5] Teachers from Institut Ikelemba and primary school Lilanga.

paying CDF 1,500 (per school) to the *Administrateur du Territoire*[1] (who equally signs on the payrolls!) and CDF 950 (per teacher) to the local public accountant. These above examples may shed light on unfortunate effects of mechanisms that involve multiple intermediaries, especially in cultures with strong authoritarian tradition. That is why simple, de-layered routes along with well-defined roles may help to block this sort of unauthorized, not to say anarchic, interferences. Put bluntly, risk is proportional to (i) the number of strata; and (ii) the number of players from different sectors. Circuit SECOPEP – *gestionnaires* – schools exclusively involves education partners; circuit Pay Commission – public accountant – *gestionnaires* – schools implies different Ministries and, for that reason, is likely to erode commitment and accountability.

Table 1. Alleged embezzlement of teachers' salaries by public accountants (period 2000-2007)

Location	Accountant*	Alleged embezzlement	Source
Mbuji-Mayi; Mwene-Ditu (Kasaï-Oriental)	0500 0349 0497 0503 0506	- Originally 1,137,254 (USD 2,500) partially reimbursed. Debt still due = CDF 468,947 (estimated USD 1,000) = salaries December 2003 (Catholic network Luiza + S/D Mwene-Ditu); - CDF 999,300 (estimated USD 2,000) = EPSP salaries (supplement), February 2005; CDF 1,719,384 (est. USD 4,300) = salaries Protestant network (CMCO-CEM) June/July 2002; CDF 84,788 (estimated USD 210) = salaries S/D Ka-Kamuanga, April 2003: CDF 264,834 (estimated USD 660) = salaries S/D Miabi, July 2003; CDF 300,000 (estimated USD 600) = salaries S/D Lubao, February 2004	SECOPEP (Kasaï-Oriental), September 2005 ; Chef de Division des Finances (Mbuji-Mayi), July 2005 ; SECOPEP (Kasaï-Oriental), July 2005 (summary table) ;
Kananga (Kasaï-Occidental)	0490	- CDF 1,071,023 (USD 2,900) = salaries of Mweka (state-run network); CDF 690,233 (USD 1,865) = salaries of Tshimbulu; CDF 659,760 (USD 1,783) = salaries of Tshikapa (Sept 2001); - CDF 369,899 (USD 1,000) in Luebo (2002)	SECOPEP (Kasaï-Occidental 1), February 2006
Kindu (Maniema)		-12 schools did not receive their salaries in May 2004 from the *comptable subordonné* of Punia; - Kasongo - CDF 44,000 (USD 88) of primary school Kakolo	*Coordinatrice Diocésaine* (Catholic network), April 2005
Kisangani (Orientale Province)	0472 0471	- CDF 400,00 0 (USD 800) = Diocese of Isangi; - CDF 716,053 (USD 1,430) = surplus October and December 2006; - CDF 226,699 (USD 453); CDF 431,699 (USD 863); CDF 531.699 (USD 1,063); CDF 332,912 (USD 666); CDF 312,912 (USD 526) period June-October 2006 (Diocese of Lolo)	*Coordinateur Provincial* of Catholic network (Kisangani)
Equator Province	0424 0421 0520	CDF 615,000; CDF 2,611,512: CDF 557, 137; CDF 1,089,774 (accountant fled to Kinshasa); CDF 1,702,560 CDF 818, 049 (Est. total of USD 17,000)	Audit conducted by the Governor (August 2002)
Bukavu (South-Kivu)	0223 ??	CDF 443,911 (est. USD 986) = salaries of 18 schools (CEPAC network); CDF 541,223 (est. USD 1,200) = salaries of 7 schools (Catholic network UVIRA) Accountant ran off with CDF 10,000,000 (USD 20,000), November 2007	SECOPEP Bukavu (March 2005)

* Accountants have a code number.
S/D = *Sous-Division* (Sous-Proved)

[1] A *territoire* is an administrative subdivision of a *district*. Letter from 8 school heads to the *Coordinatrice Diocésaine* in Kindu, 2007 (Annex 36)

Table 2. Lump sums deducted from teachers' salaries by public accountants (2005-2007)

Location	Amount	Estimated gain	Source
Mbuji-Mayi (Kasaï-Oriental)	CDF 60 per teacher in Catholic network. Reportedly, the same amount is collected from other networks.	Estimated 2,800 teachers = CDF 168,000 (USD 336) in Catholic network.	*Coordinateur diocésain* (Catholic network), January 2006
Lubumbashi (Katanga)	- Accountant 0483 deducts CDF 2,000 per network every month; - Accountant 0484 (Manono) takes CDF 30,000 (lump sum) ; - Accountant 0535 (Lualaba) asks for CDF 200 per teacher (transportation costs)	- 29 networks = CDF 58,000 (USD 116); - CDF 30,000 (USD 60); - 96 schools (est. 960 teachers) = CDF 192,000 (USD 385)	SECOPEP Lubumbashi, February 2006
Kinshasa	Accountant 0406 deducts CDF 2,600 per school.	Estimated 235 schools = CDF 587,500 (USD 1,100)	SYECO union leader, Kinshasa
Punia (Maniema)	Accountant deducts money from salaries in 6 schools	More or less CDF 1,500 per school = CDF 9,000 (USD18)	*Coordinatrice diocésaine* (Catholic network), April 2005
Isangi (Orientale Province)	- Reportedly, since October 2005 accountant 0472 deducts CDF 400,000 (USD 800) on total salary envelope (approx CDF 12,880,000); - CDF 100,000 (USD 200) deducted from salaries in November and December 2005; - Accountant deducts CDF 3,000 per network every month	- CDF 400,000 (USD 800) on a monthly basis; - CDF 100,000 (USD 200) twice = USD 400 - Estimated 10-15 networks = CDF 30,000-45,000 (USD 60-90) per month	SYECO union, Kisangani, February 2007. *Coordinateur Provincial* (Catholic network), January 2005
Mbandaka (Equator) Befale (Equator)	- Accountant 0465 deducts CDF 4,000-9,000 per network every month*. Other sources speak of CDF 2,500-10,000 (Catholic network, February 2006); - Accountant 0467 deducts a lump sum of CDF 300,000 (January 2006); CDF 180,000 (March 2006); CDF 120,000 (April 2006); CDF 120,000 (May 2006); CDF 200,000 (September 2006)	Estimated 10 networks = CDF 40,000-90,000 (USD 80-180) per month. CDF 920,000 (over a period of 5 months) or USD 1,840.	SYECO union Mbandaka, March 2006 SYECO union, Mbandaka, December 2006
Goma (North-Kivu)	Accountant deducts between CDF 2,500 and CDF 5,000 per network	20 networks = estimated CDF 75,000 (USD 150)	
Lubumbashi (Katanga)	- Accountant deducts CDF 10,000 (transportation); CDF 5,000 (handling); CDF 5,000 (counting of money);	Estimated gain per network = CDF 20,000 (USD 38)	Catholic network (*Coordination diocésaine*)

* In October, SYECO teacher union organized transportation of salaries from the BCC to the Governor's Office to the different offices of the *gestionnaire*s for a cost of CDF 27,000 (USD 54).

Pictures 5-6. Public accountant 0476 borrows the vehicle of a bank employee to transport teacher salaries from the BCC to the Division of Finance. Multiple intermediaries inevitably multiply risks. (Bukavu, December 2006)

Pay Commissions: self-ordained *ordonnateurs*?

Provincial Pay Commissions were established in 1990[1]. Article 1 of the Decree stipulates the Commission "*est chargée de veiller sur toutes les opérations relatives à la préparation, à l'exécution et au suivi de la paie des Agents de l'Etat*" (is responsible for supervising all operations related to the preparation, execution and follow-up of salary payment of civil servants). Obviously, this implies ex-ante and ex-post control mechanisms (establishing payrolls and verifying signed paysheets) but equally monitoring actual payment. Compared to the latest text from the Budget Ministry (*Encadrement de la paie en provinces*, 2006)[2] "*veiller*" has been 'refined' by "*encadrer et renforcer*"; both verbs remaining ultimately vague and very insufficient in terms of implementation. It may be of interest to point out that before the arrival of the AFDL[3] in 1997, Pay Commissions did not interfere with teacher salaries; SECOPE and SECOPEP (in their quality of *Service de Contrôle et de la Paie des Enseignants*) were solely responsible for teacher payroll expenditure management. Originally, Pay Commissions were put in place to clean up the high number of ghost employees in the different Civil Service sectors. This issue was less relevant for teachers because of the existence of the computerized SECOPE payroll system. However, years of 'inactivity' from SECOPE progressively has made the situation of teachers comparable to the one of civil servants. Presumably, this may have been a compelling argument to bring the teacher payroll system under the authority of the Pay Commission – as a substitute for a dormant SECOPE. This is why a 'reborn', reliable and efficient SECOPE could be a strong point in discussions about the irrelevance of maintaining the current situation. Article 7 of the Decree further allocates "*une prime mensuelle*" (monthly allowance) to the members of the Commission. Reportedly, these allowances never come and Pay Commissions therefore consider legitimate to draw on civil servants' salaries for their payment. These two elements (ill-defined tasks and non-payment of allowances) highly contribute to the chaotic situation on the ground. Two examples may help to highlight their impact.

The first one is a letter[4] from the Governor of Maniema to the Minister of Finance asking for a "*rallonge enveloppe salariale*" (an increase of the salary envelope) of CDF 20,810,000 (USD 400,000). The letter is joined to a report from SECOPEP on non-registered teachers (*postes autorisés*) in registered schools. Intriguing is that the Governor does not even bother to copy SECOPE Kinshasa thus bypassing the only service 'technically' entitled to make proposals on a payroll budget increase. At first sight this might look like a minor issue; however, it certainly elucidates a certain state of mind and a highly disputable interpretation of assigned roles and competencies. Equally disturbing, but nonetheless based on credible, corroborating sources, Governors in Maniema allegedly have a tradition of 'commandeering' money as soon as salaries arrive[5]. Finally, and noteworthy, Governors always claim a copy of the O.V. from Central Bank managers (although they do not formally sit in Pay Commissions) thus ensuring first-hand information on payroll amounts. It goes without saying such practices conflict with the very principle of transparent, traceable public spending; not to speak of the highly compromised and far from independent positions of both *ordonnateurs* and *comptables publics*. As said earlier, (i) ambiguous, equivocal texts roll out the red carpet for Pay Commissions (and Governors) to behave and act as ultimate *ordonnateurs* (which is an infringement of the normal ELOP spending process applicable *mutatis mutandis* at all levels of the public expenditure system); and (ii) these provincial Commissions constitute a sort of all-powerful and consolidated local Triumvirate offering but little chances to outsiders for combating any misconduct.

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[1] Arrêté Interdépartemental N° 030/FIN/015/BUDGET/0060/FP/90 of April 17, 1990 (Annex 37).
[2] See page 8 of this report.
[3] AFDL (*Alliance des forces démocratiques de libération du Congo*), movement of late President Kabila.
[4] Letter N° 01/0494/CAB/GOUPRO-MMA/2006 of December 1, 2006 (Annex 38).
[5] SECOPE and SECOPEP Maniema. They cite amounts around CDF 10,000,000 (USD 20,000).

The second example is an audit[1] conducted in Bukavu (South-Kivu) in January 2005 by the then Vice-Minister of Civil Service following a complaint of the COSSEP union[2]. Investigations revealed the Pay Commission "*prélève régulièrement un montant représentant plus ou moins* ***17% de l'enveloppe salariale*** *destinée aux fonctionnaires pour ses besoins propres (primes, fournitures de bureau, transport des fonds en territoire, etc*" (regularly deducts an amount that represents more or less **17 % of the Civil Service salary envelope** for its needs (allowances, office materials, transportation of funds inland etc)[3]. Annex 39 [4] shows how the Commission not only deducts CDF 590,000 (USD 1,180) for running costs (*dépenses de fonctionnement*) but on top of that presumptuously inserts three nonexistent budget lines into the payroll: CDF 3,510,000 (USD 7,020) for the Commission, CDF 417,170 (USD 835) for computer staff and CDF 610,278 (USD 1,220) for the accountants; totalling USD 10,225 for December 2005, an amount apparently extended every month. Concerned about a series of unacceptable irregularities, the audit team then recommended as top priority "*de prendre une mesure conservatoire et urgente de suspension des actuelles commissions provinciales de paie par un Arrêté Interministériel de leurs Excellences Messieurs les Ministres de la Fonction Publique, du Budget et des Finances qui devraient rapidement se concerter à cet effet*" (to take protective and urgent measures to suspend existing provincial Pay Commissions by an Interministerial Decree of Their Excellencies the Ministers of Civil Service, Budget and Finance who should rapidly consult each other on this matter)[5]. Unfortunately, this recommendation was never implemented; reportedly because of resistance from the Ministers of Budget and Finance. One positive note though: in July 2006, the Pay Commission stopped managing teacher payrolls. Today, they adhere to the *listings* and apportionments issued by SECOPEP.

Table 3 below gives an over-all picture of the current situation. Pay Commissions continue operating country-wide but only 6 out of 11 (54.5 %) still exercise their direct supervisory authority over teacher payrolls. In addition, *ordonnateurs* and *comptables publics* are omnipresent; the central PEM system is replicated at provincial and district levels. The last column of the matrix briefly comments on particularities or incoherencies - some were already developed in this chapter. In Bandundu, the Pay Commission is headed by the *Directeur de Province* (direct representative of the Governor) which clearly constitutes a violation of official instructions. Similarly, provincial authorities in Equator and Maniema still exercise strong power of influence over their Pay Commissions. In both cases there have been complaints over misuse of public funds by Governors. Finally, the case of Kananga (Kasaï-Occidental) may be an interesting precedent of how a local initiative 'bypasses the law' in the best interest of beneficiaries. Following a number of embezzlement cases involving public accountants in 2001, the Governor then launched a 'clean-hands' campaign and decided to re-establish SECOPEP in its original role of frontline service provider. True, the public accountant still has to okay the payment but SECOPEP now withdraws the money from the bank (in lieu of the accountant) before dispatching the salaries to the *gestionnaires*. Reportedly, teacher salaries have been "secured" since and no more cases of embezzlement have been reported.[6]

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[1] *Rapport de mission effectuée à Bukavu du 02 au 09 janvier 2006 par le Vice-Ministre de la Fonction Publique* (January 2005).
[2] COSSEP stands for *Conseil de Syndicat des Services Publics*. In October 2004, they wrote a (damning) report to the Minister of Civil Service on the many alleged wrongdoings of the Pay Commission in Bukavu (South-Kivu).
[3] Ibid., p.10.
[4] Commission de la paie Bukavu, *Etat de lieu de la paie des fonctionnaires et agents de l'Etat au Sud-Kivu pour les mois de décembre 2005 et janvier 2006*, Bukavu, February 2006.
[5] Ibid., p. 11.
[6] For more details see also Verhaghe J., "*Notre Beau Métier*": *Ensuring the Quality of Primary School Teachers in the DRC*, 2006, pp. 26-27.

Table 3. List of Pay Commissions country-wide
(as of February 2007)

Province	P C	O.D.	CPPD	Comments
Kinshasa	No	x	x	Circuit: O.D. – CPPD – *gestionnaires*
Bas-Congo	Yes	x	x	Division Heads of Civil Service, Budget, Finance and **Interior (*)** sit in the Commission. In Bas-Congo 2 (Mbanza-Ngungu) SECOPEP travels to Matadi to pick up O.V.
Bandundu	No	x	x	Circuit : O.D. – CPPD – *gestionnaires*. The Pay Commission manages Civil Service payroll system. **The *Directeur de Province* (direct representative of the Governor) is President of the Commission.**
Equator	Yes	x	x	Division Heads of Finance, Budget and Civil Service sit in the Commission. Reportedly, Governors act as "ultimate *ordonnateurs*". In Mbandaka, the CPPD has his office in the premises of the Governor's Office.
Orientale Province	Yes	x	x	Circuit: O.D. – CPPD – *gestionnaires*
North-Kivu	Yes	x	x	Division Heads of Finance, Budget and Civil Service sit in the Commission. *Gestionnaires* have to introduce 5 copies of listings per school.
South-Kivu	No	x	x	Circuit: O.D. – CPPD – *gestionnaires* (since July 2006). The Pay Commission continues to manage the Civil Service payroll.
Maniema	Yes	x	x	**Division Heads of Finance and Budget** sit in the Commission. Reportedly, the Governor acts as "ultimate *ordonnateur*". Gestionnaires are excluded from the payroll process. Public accountants pay salaries directly to the school heads.
Kasaï-Oriental	Yes	x	x	Division Heads of Finance, Budget, Civil Service and the Pay Office sit in the Commission. *Gestionnaires* have to introduce 9 copies of *listings* per school.
Kasaï-Occidental	No	x	x	Since 2001 ("clean –hands" campaign initiated by the Governor) the public accountant has been 'replaced' by a SECOPEP 'paymaster'. Circuit: O.D. – **(CPPD)** – SECOPEP – *gestionnaire*s.
Katanga	No	x	x	Circuit O.D. – CPPD – *gestionnaires* The Pay Commission manages the Civil Service payroll (including the '*enseignants assis*' that have a Civil Service number.

(*) Text written in bold indicates incoherency with official instructions.
O.D. = Ordonnateur-Délégué
CPPD = Comptable Public Principal de Dépenses
PC = Pay Commission

3. Implementation issues

An effective, streamlined payroll system should basically guarantee (i) timely payment; and (ii) delivery of full salary. Officially, payday is scheduled on the 20th of every month[1]. In practice, delays of one or two months are not an exception, particularly in remote areas. Further, full salary seems to be an undeniable universal right; in the DRC, however, salaries are "*grignotés*" ('skimmed off') along the way and but very few teachers receive the right amount. Figures 4 and 7 show how current payroll processing is still miles away from acceptable norms. The first one takes a closer look into deadlines and delays. The second one identifies and locates current leakages in the teacher payroll mechanism.

[1] See official time and date calendar (Decree N° CAB/MIN/FP/BUDGET/FIN/026/2004).

3.1. Payroll deadlines

Figure 4 is the result of a sustained surveillance of teacher payroll expenditure in December 2006. In particular, the chart focuses on the role played by banks and their part of responsibility for late payment of salaries. Some may argue December is a month filled with bank holidays and therefore probably not an appropriate choice. However, the facts reveal that this excuse is ungrounded. On the contrary, forthcoming Christmas and New Years' Eve should have been an additional parameter for (i) better planning; and (ii) strong commitment to timely payment.

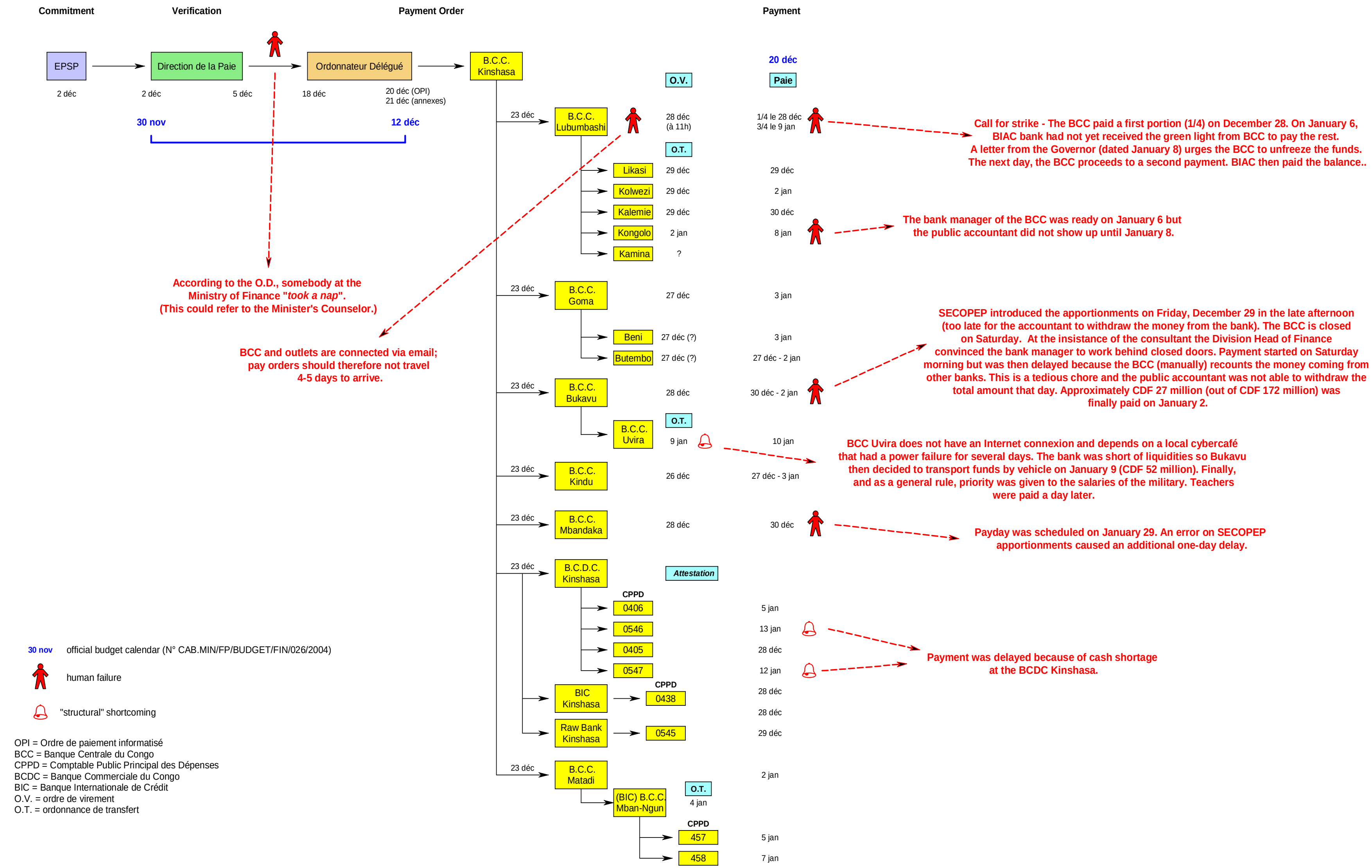
From the capital to the provinces

The central (yellow) part of the chart examines the dispatch of the OV by the Central Bank on December 23 to seven provinces (Kinshasa included). Most of the outlets acknowledged receipt of the OV six days later, on the 28th (Goma on the 27th). In principle, emails arrive instantly but banks were closed on Saturday, Sunday and Monday (Christmas).Logically, bank managers did not have access to their mailbox before Tuesday morning, on the 26th. But what happened after that? Why do they suddenly all have a 3-day 'black-out'? Teachers (and civil servants in general) regularly complain about this mysterious gap between the arrival of the OV and the payment order. Some reports[1] suspect secret monetary transactions ("something is going on"). This can, for instance, signify that "the bank" uses incoming salaries to dissimulate a (temporary) deficit in the treasury; or it may confirm the existence of parallel (mafia) circuits that need a lot of cash to do business (e.g. purchase and sale of diamonds etc). More plausible (maybe), bank managers often face cash shortages and deliberately delay the formal *réception* of the OV to gain time. They know the OV is there but 'ignore' it because they do not have enough liquidity. Setting priorities may be another reason. For instance, the OV is there but the military are pressing for payment of their salaries. For reasons of security, the bank has no other option than to serve them first. Cash shortages on the chart are considered 'structural' shortcomings (red bells) although they can be due to negligence. Banks that have a cash crisis contact the Central Bank in Kinshasa and apply for "*un appel de fonds*" (call for funds). Of course, this should be planned in advance. According to the bank managers, Lubumbashi needs one day, Goma one week, Bukavu approximately 10 days and Kindu 3 days before funds can arrive. In the case of Bukavu, for instance, the manager is supposed to act pro-actively; he should not wait until the very last day. Payrolls are a recurrent, monthly expenditure. It should therefore be feasible to anticipate a liquidity crisis. In Lubumbashi (BIAC) and Kinshasa (BCDC) teachers were paid respectively on January 9 and January 13 (after a 3-week delay); reportedly[2] because of nonavailability of cash. Commercial banks regularly bring up this excuse. Many believe, however, this is only a half-truth and that they probably just favor their own clients. Truly, a phrase like "*Manque de liquidités ne signifie pas absence de liquidit*és"[3] (Cash shortage does not necessarily mean absence of cash) captures well the mystery and the 'grey zones' that surround transactions at bank level. Don't they say that gossip goes with the unseen?

Human failure is at the core of timely payment. The chart identifies 8 'snags' and 6 of them (75%) are due to nonchalance (red men). In Kongolo (Katanga) payment was postponed because the accountant decided not to show up. In Mbandaka (Equator) an error made by SECOPEP caused an additional one-day delay. In Bukavu (Maniema) SECOPEP did not introduce the apportionments on time, and so on; the list is certainly incomplete. Moreover, what to think of the delay at the Ministry of Finance where 12 working days were necessary

[1] Reports from SYECO Mbandaka, Kasaï-Occidental.
[2] According to unions and public accountants.
[3] This is a quote from the bank manager of the BCC in Lubumbashi (December 2006).

Figure 4.
Teacher payroll expenditure:
Payroll deadlines and implementation issues
(Pay of December 2006)



Source: Johan Verhaghe, 2006

to span '*liquidation*' and '*ordonnancement*'? The laconic reply to that question from a disconcerted OD that "*quelqu'un au Ministère a somnolé*" (somebody at the Ministry took a nap) certainly reinforced the mystery in stead of solving it. At this point, it might be worth relating a couple of telling anecdotes. In Bukavu the OV 'arrived' on the 28th. Reportedly, the accountant was ready to go to the bank on the 29th but SECOPEP was late with the apportionments and retarded the operation. Anyhow, on Saturday (the 30th), the bank was closed and set to reopen only after New Year (on January the 2^{d}). So, teachers would be paid after the festivities - but apparently nobody seemed to really care. The consultant mentioned the issue early Saturday morning to the Head of Finance who promptly decided to go and see the bank manager who in turn accepted to work '*sous guichets fermés*' (behind closed doors) and to authorize the payment. As a result, most of the teachers in Bukavu received their salary that day[1].

Table 4. Late pay in Bukavu (North-Kivu)
(Pay of December 2006)

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
December					1	2	3
	4	5	6	7	8	9	10
	11	12	13	14	15	16	17
	18	19	20	21	22	23	24
	25	26	27	28	29	30 (P)	31
Jan	1	2 (P)	3	4	5	6	7

Red figures are bank holidays.
Yellow boxes: time needed for an email "to arrive". Green box: delay committed by SECOPEP.
Salmon boxes: delay caused by the bank (counting money)
P = payment

On December 28, the OD of Lubumbashi issued a payment order (O.E.F.) to the accountant who was able to withdraw the money the same day. According to the OD, this was "*du jamais vu*" (never seen before). This happened right after a visit from the consultant to the manager of the Central Bank. On top of that, the consultant started receiving phone calls from teachers to thank him for his 'intervention' (sic!). Finally, in Kindu (before the scheduled arrival of the consultant), the *gestionnaires*[2] received as if by magic a copy of the *listings* from SECOPEP; something that had not happened since ages. Are these remarkable coincidences due to some stroke of luck? Hard to tell. Far more likely, above anecdotes most probably reveal a deep, underlying malaise in the current chain of accountability relationships. Organizational providers (such as bank managers, government officials etc) seem indeed to be almost unaware of their individual 'lines of responsibility' toward their fellow citizens.

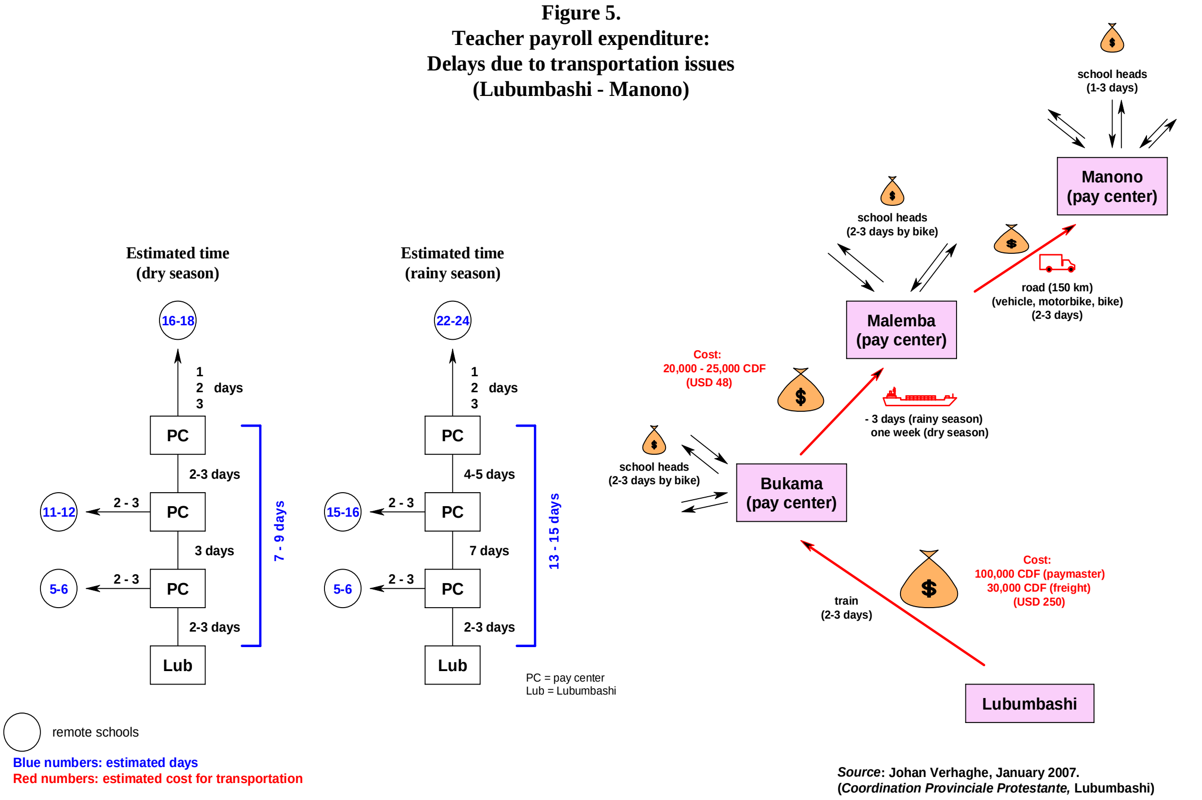
Inland

Figure 4 does not explore the routes salaries take inland. The dates on the chart therefore strictly apply to 'big centers' and not to remote areas where the bulk of the schools are located. To date the biggest 'headache' for *gestionnaires* is safe and diligent transportation of their teachers' salaries to distant schools. Generally, *gestionnaires* use paymasters (accountants) who travel to "*des centres de paie*" (pay centers). These are very often mission posts or 'important' commercial localities. Schools are informed in advance via *phonie* (radio) about the arrival of the paymaster. School heads then travel to these pay centers. It is obvious that such a trip needs to be financed. In principle, paymasters (*gestionnaires*) calculate the

[1] The accountant was not able to withdraw the total sum. The BCC had not finished recounting the money it had received from other (commercial) banks. This portion of the teacher salary envelope was finally paid on January 2, 2007.
[2] In Kindu (Figure 3c) accountants pay the salaries directly to the school heads. The *gestionnaires* did not have access to the *listings*.

expense (ticket, accommodation, meals etc) that is then deducted from salaries. Figure 5 roughly estimates the cost incurred by a paymaster who travels from Lubumbashi to Manono (Katanga province). He gets CDF 100,000 for his *séjour* (meals and accommodation) and has to pay respectively CDF 30,000 and CDF 25,000 for train and boat. The trip Malemba-Manono is a variable cost and depends on what is available at that moment as local transportation.

Figure 5.
Teacher payroll expenditure:
Delays due to transportation issues
(Lubumbashi - Manono)



The chart equally looks at time issues. First, the number of indicated days is a minimum estimate. Traveling inland is a risky enterprise. For instance, the chart does not show that the boat to Malemba can be late. Passengers may then easily lose one or two weeks. Second, time is a flexible parameter and varies according to seasons. Rainy season retards the traveller; a truck stuck in the mud can obstruct a passage for days; and so on. Third, school heads that travel to pay centers also have to return to their respective schools; some have bikes, some walk and therefore their timetables are first of all elastic. It is nevertheless clear that teachers in Manono, for instance, have to wait an additional 2-3 weeks before they can receive their pay. Examples like the one above are legion and a detailed, updated study (school-mapping) is necessary to estimate the real cost of transportation (by network and by province). At times costs can be so high that teachers prefer to wait 2-3 months to pick up their salaries. On December 30, a paymaster of Shabunda (South-Kivu) transported 4 months of salary to the airport of Bukavu (CDF 71,000,000 or approximately USD 134,600 in ten 70-kilo bags). Today Shabunda is inaccessible by road and the only way to get there is by plane. But the costs are high: USD 200 for a return ticket; USD 1,400 for freight (USD 2 x 700 kilos) and CDF 50 per teacher for the *séjour* of the paymaster. A rapid calculation gives more or less CDF 700 of salary loss per teacher[1] in order to get the money to Shabunda. There the bags are stored in a parish, near the airport. The next day the *gestionnaires* dispatch the salaries. The average time then needed for the money to reach the teachers is one week.

[1] There are 1,267 teachers. CDF 63,350 (*séjour*) and CDF 832,000 (transportation) gives a total of CDF 895,350 or CDF 700 (USD 1.4) per teacher.

Picture 7. 70-kilo bags of money leave the building of the Division of Finance on their way to Shabunda (South-Kivu) (Bukavu, December 2006)

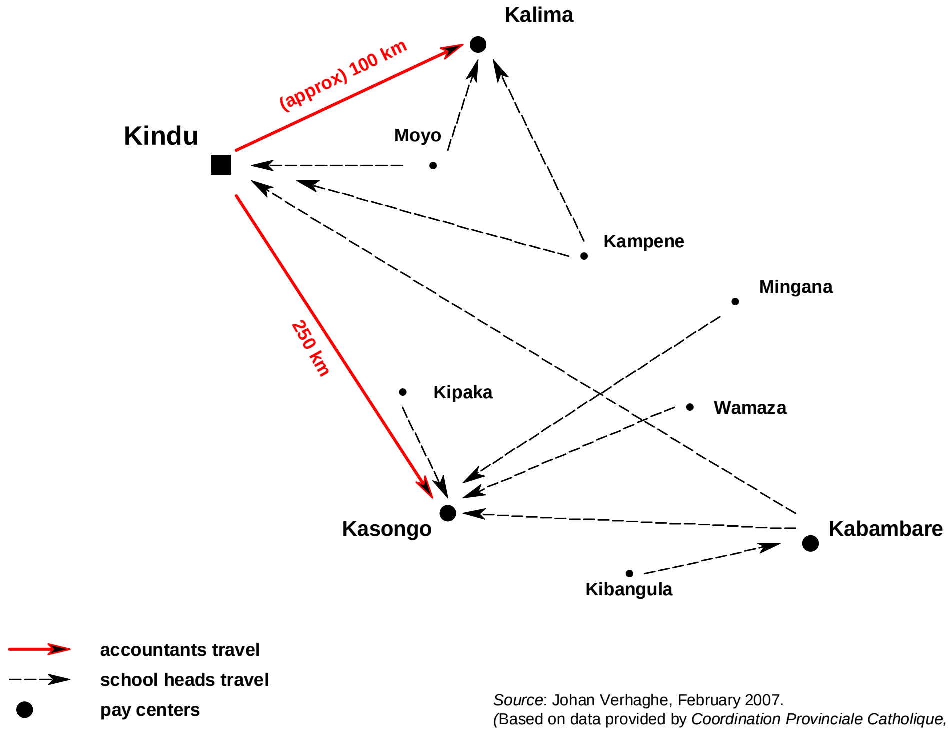
Figure 6 (page 31) is a rough draft of the Catholic school network in the Diocese of Kasongo (Maniema). Arrows show the movement of school heads toward pay centers. The drawing offers a better understanding about (i) the impact of this monthly flow of people on the daily management of schools[1]; and (ii) the constant endeavor that is necessary to secure the payment of salaries. Risk is a factor that has not been discussed; and yet, it certainly has a cost. Important sums of money travel across the country every month and it is a miracle that reports on robbery are relatively scarce[2]. Paymasters hide 'bricks' of cash inside cassava bags; *gestionnaires* (at their own risk) do not declare the content of parcels to carriers for obvious reasons of security and to avoid high transportation costs; "*des porteurs*" walk for miles with a bag of money on their head etc. Whenever possible, however, alternative 'stopgap' routes are privileged. For example, in Kasenga (Katanga) Catholics have a longstanding agreement with a local merchant who pays the teachers every month; in return, the Catholic Provincial *Coordination* makes a deposit into his account in Lubumbashi. This system has severaladvantages. One, money does not travel and the transaction is safe. Two, teachers receive their full salary[3] and three; from now on salaries arrive 'on time'.

[1] Annex 40 produces a letter from the Inspectorate complaining about "*l'absentéisme exagé*ré" (exaggerated absenteeism) of school heads in their schools. This situation is of particular concern in the Maniema province and is related to the current payroll mechanism imposed by the Pay Commission. Accountants pay directly the salaries to school heads (bypassing the *gestionnaires*). As a result, many school heads have to travel to Kindu to pick up their salaries. Reportedly, some may be absent from their schools for 3 weeks every month.

[2] A letter from the Division of Finance (Lubumbashi) to the manager of the Central Bank urges the latter to pay the accountants in the morning for reasons of security (N° 301/02777/DIVIFIN/KAT/2005 of December 15, 2005, Annex 41)

[3] Kasenga-Lubumbashi is about 250 km. There are no costs for transportation and, last but not least, the money is carefully counted and wads are complete.

Figure 6.
Teacher payroll expenditure:
Movement of people
Diocese of Kasongo (Maniema)



Source: Johan Verhaghe, February 2007.
*(*Based on data provided by *Coordination Provinciale Catholique,* Maniema)

Picture 8. Accountant 0481 and school head from E.P. Salamabila.
E.P. Salamabila is located at 380 km from Kindu.
(Kindu, January 2007)

3.2. Leakage identification

The best way to move toward a more effective payroll system is to identify the leakages and to start plugging them without delay. The issue, however, is not to opt for a quick, 'make-shift' solution but to put in place a simple, doable and sustainable mechanism. Simple, because if need be it can be easily fixed ('leaks' are quickly 'diagnosed'); doable, because it fits into an existing institutional framework (no need to install a brand-new kitchen) and sustainable, because nobody wants to call the plumber every two days.

Figure 7 identifies the current leaks in the system. Basically, they are twofold: (i) high-flow (big red drops); they are related to Pay Commissions and public accountants; and (ii) moderate size and low-flow (small red drops); they mainly involve the *gestionnaires*. At this point, it is essential to understand the mechanism. In principle, only the *comptable public* has access to cash; s/he withdraws the money from the bank. The preceding administrative phase (bank, OD, payment order) is by definition limited to 'paper flow'. Secondly, flow of cash (actual payment) is a one-way, downward movement toward the beneficiaries. These are the principles. However, recurring complaints (from beneficiaries) indicate that at some point in the system there exists an (unauthorized) upward return of cash (blue arrow on figure). The chart shows that this return is essentially located at the level of Pay Commissions and public accountants simply because (alleged or proven) reports on misappropriation usually cite this category. In terms of impact, it is evident that when an accountant walks away with the salaries of a number of schools this will represent an important loss of salary for a group of individual teachers. In a letter[1] to the Governor of Maniema the *Coordinatrice Provinciale* of the Catholic network cites a case of embezzlement involving accountant 0481 of Kasongo and the subsequent impact on the salaries of teachers: "*une deduction de 19,8 % de salaire a été opérée sur le salaire de chaque enseignant afin de pouvoir aider ces pauvres victimes*" (a deduction of 19,8% was made on the salary of every teacher in order to help these unfortunate victims). Similarly, when a Governor or Pay Commission confiscate a portion of the salary envelope, it is highly probable that somewhere a group of people will not get paid that month. Finally, deductions operated for incurred expenses (transportation costs etc) only slightly affect teachers in terms of individual salary loss. The issue is, of course, that these deductions are unilaterally imposed; the accountants do not justify the expense.

'Minor' leaks occur at different levels. Some of them may have a significant impact in terms of individual salary cut, others are 'negligible'[2].

Banks

An often-heard complaint is that wads are incomplete and banknotes missing. This may result in important salary loss for a teacher if s/he happens to have bad luck. The same reasoning applies *mutatis mutandis* to unfit, soiled banknotes that are unusable. Different hypotheses circulate on the phenomenon. Some accuse accountants, others money tellers at the bank. It is however clear that anybody who manipulates money may represent a potential leak (from accountant to school head). Most likely, the problem is located at bank level. By way of example, in a recent letter[3] to the manager of the BCC in Lubumbashi the Division Head of Finance complains about a deficit of CDF 42,600 (USD 85). It would indeed take days to count the money; payments therefore occur in complete confidence; that is, "*mains à mains*" (from hand to hand), as indicated on every B.E.F. (*Bordereau d'envoi de fonds*).

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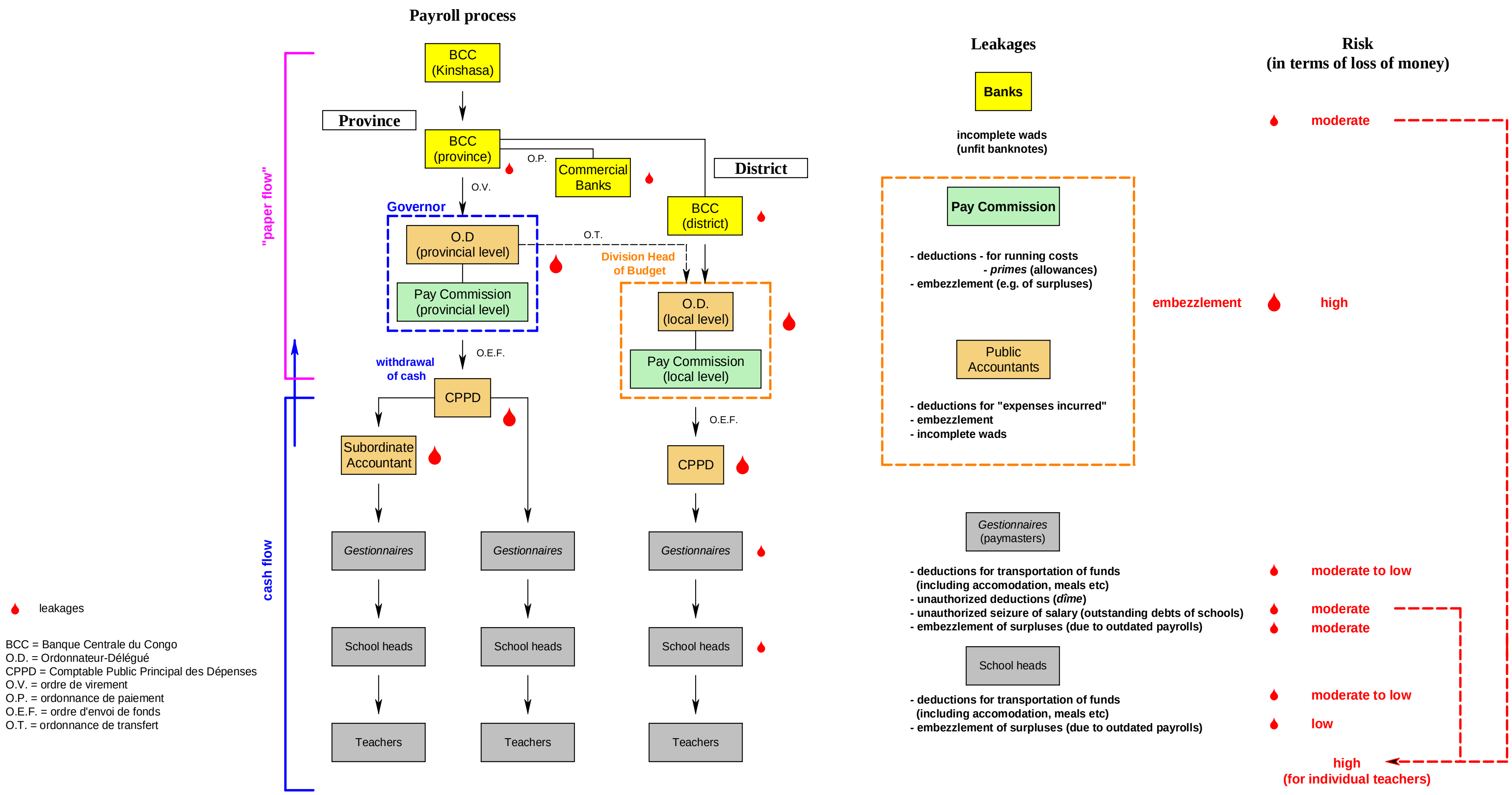
[1] Letter N° MINEPSP/CD/E.C.C.CATH/531/SP/348/05 of April 13, 2005. (Annex 42)

[2] 'Minor' is not a synonym for 'insignificant'. A teacher who loses CDF 1,000 (approx USD 2) in a country where people subsist on (less than) one dollar a day is certainly not a 'minor' issue.

[3] Letter N° 350/0355/DIVIFIN/KAT/2006 of December 4, 2006. (Annex 43) The letter is of some interest because it indicates that accountants are sometimes wrongly accused of removing banknotes from wads.

Figure 7.
Teacher payroll expenditure:
Flow of funds and leakage identification



Source: Johan Verhaghe, February 2007

Picture 9. Money tellers at the BCC in Bukavu (North-Kivu)
Incomplete wads may deprive many a teacher of a full salary.
(December 2006)

Gestionnaires

Leakages at the level of the *gestionnaires* are generally ‘moderate’. First, deductions made for reasons of transportation of salaries are justified and therefore not necessary illegal or unauthorized. They often happen by mutual agreement and are a “*mal nécessaire*” (necessary evil). The only way to address this is to insert transportation costs into the salary envelope. This is not new. From the start, SECOPE allocated a monthly allowance called “*allocation transport de fonds paie*” that was calculated according to a number of parameters (distance, volume etc). These formulas still exist but the variables need to be updated especially with regard to current logistical (read: accessibility) challenges. However, the reintroduction of these funds is likely to solve only part of the problem. Today many *gestionnaires* are almost totally devoid of logistics support capabilities. Second, *gestionnaires* may abuse of their position of employer. This should not be generalized but reports relate a certain number of recurring irregularities. The first one is illegal seizure of salary. School heads may have outstanding debts for school fees or supplies[1] but put off reimbursement. *Gestionnaires* may then unilaterally decide to “*retirer l’argent à la source*” and deduct the money from teachers’ individual paychecks to satisfy the debt. In terms of individual salary loss, this may turn out to be a major leak. A *Guide de SECOPE* (edited by SECOPEP Katanga 1) explicitly forbids salary cuts because of unpaid school fees[2]. Examples of authoritarian rule are commonplace.

[1] For instance, many Catholic *Coordinations* have shops where school heads can purchase copybooks, writing materials etc. Very often they buy on credit.

[2] *Guide de SECOPE à l’attention des gestionnaires et chefs d’établissements scolaires*, June 2004, pp. 18-19.

In October 2006, the Catholic network of South-Kivu decided to "*partager équitablement à tous*" (share equitably by all) the salaries of the teachers in the name of solidarity and in order to help colleagues whose names had been omitted from the *listings*. True, the imbroglio on the ground was the unhappy consequence of years of opaque payroll management by the Pay Commission and the nonavailability of SECOPE listings. However, when teachers discovered that they were paid less than their official salaries (printed on the *listings*) they naturally protested[1]. A report from SYECO Equator[2] cites the example of the S/PROVED of Bomongo who deducted CDF 1,500 (USD 3) from teachers' salaries (over a 3-month period) to construct an office for the Inspectorate despite overt disagreement with the teachers. On the other hand, a proposal to purchase an outboard motor to facilitate transportation of salaries was unanimously adopted by all networks. Unmistakably, these examples merely confirm that (i) consensus should be at the heart of any undertaking; and (ii) people are willing to participate if they have a word to say. Secondly, Protestant (and allegedly Kimbanguist) networks require their teachers to pay mandatory tithes (*dîmes*); in principle, one-tenth of their salary but in reality a lump sum imposed by the hierarchy. Again, if tithes are the result of a dictate from above, then it is a leak (and should be plugged). Finally, there is the issue of (alleged) surpluses due to outdated payrolls. Research confirmed the existence of 'surpluses' (at times 'shortages') but, in principle, these are used to 'patch up' incoherencies between SECOPEP *listings* and school payrolls (see chapter 4 on payroll analysis). To a certain extent, embezzlement of these surpluses is possible but it does not affect individual teachers who figure on official *listings*. At the very worst, this may lead to payment of lower(er) salaries to the *nouvelles unités* (NU), i.e. teachers who are not (yet) registered by SECOPE. The same rationale applies *mutatis mutandis* to the school heads. In Maniema, for instance, they autonomously manage payroll expenditure (transportation and allocation of surpluses). Again, this should not have any direct consequence on registered teachers (*enseignants mécanisés*) but may affect the *non-mécanisés* (teachers not on payroll). In principle, school heads are authorized to use these surpluses (if any) for running costs. Anyway, the existence of updated and correct payrolls would immediately put a halt on these practices. In addition, and from a professional and ethical viewpoint, *gestionnaires* should be able to exercise their natural role of regulator. Issues as 'surpluses' are indeed better managed at a 'higher' level. School heads should not be involved in such delicate matters as allocation of money to teachers. Their supervisory role at school level recommends neutrality and 'distance'.

4. Payroll analysis

4.1. SECOPE *listings*

Every month, SECOPE establishes and prints out teacher payrolls (commonly called *listings*) that are forwarded to provincial SECOPEP offices[3]. Since 1990[4], payrolls have been only sporadically 'updated'; and even then, they could not catch up with the constant changes on the ground. Moreover, updating (in particular the introduction of new teachers) was quite senseless because payroll budget credits were limited and could remain unchanged for months, not to say years. The result of this long period of inactivity is that today SECOPE only partially commands the teacher workforce in place (officially 228,553 teachers on payroll as of December 2006). An in-depth look at some recent payrolls may tell a lot.

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[1] See letters of complaint from Institut Bahati (Bukavu) and E.P. Nganga-Kalundu (Uvira), 2006. (Annexes 44 and 45)

[2] SYECO, *Mouvement de paie des enseignants dans la province de l'Equat*eur, p. 5.

[3] In fact, printing (and shipping) of *listings* only occurred when the salary envelope increased (or diminished). Today, SECOPE has committed to forwarding *listings* every month.

[4] SECOPE was set up with the help of the Belgian Cooperation in the 1980s. Since their (forced) departure in 1990, SECOPE has been waning.

The first one[1], a *listing* (dated June 2006) from a secondary school in Kisantu (Bas-Congo) reveals the following: 12 out of 35 teachers have left the school but their names still figure on the payroll. Some passed away (2), some deserted (9) and one has been promoted inspector. The absence of signatures next to their names confirms their departure.

On the second *listing* (dated July 2005 but still relevant) stands the name of a headmaster, reportedly too old to teach. '*Directeur amorti et invalide*' (exhausted and disabled headmaster) reads the handwritten addition of the *Coordinateur diocésain* in Mbanza-Ngungu (Bas-Congo). These two examples, *e pluribus unum*, certainly offer a better comprehension of realities on the ground. In both cases absent teachers have been replaced by new ones, so-called '*nouvelles unités*' (new units). In principle, these new teachers take the salaries of their colleagues. However, this is not always the rule. First, the newly hired inspector (red on *listing*) continues to be paid by the same school; his name has not been transferred yet. His successor, however, does not receive any salary. Second, the headmaster from Mbanza-Ngungu is entitled to retirement. School networks often decide (for humanitarian reasons) to keep the names of aged teachers/school heads on payrolls. Reportedly, they do not even tell SECOPE and in doing so, they delay their replacement. In the mean time, the school puts in place a 'stopgap' measure; for instance, the appointment of a teacher who combines his post with that of school head etc. In a letter[2] to a school head in Ilebo (Kasaï-Oriental) the *Coordinateur diocésain* of Mweka writes that he decided to hire a supply teacher because of "*votre état de santé (maladie et poids d'âge)*" – your health condition (illness and burden of age). The letter also explains that nevertheless he will "*continuer à toucher [les] salaries de l'état jusqu'à la notification officielle de mise en retraite*" (continue receiving [his] salary until official notification of retirement).

A third *listing* from Katanga (dated September 2006) shows a list of 4 printed and 4 handwritten names. The first four names are *mécanisés* teachers. The four last ones are "*nouvelles unités*" (they did not sign). According to the *listing*, this particular school was originally authorized to open 5 classes (*structure agréée*). Now, however, it has expanded and 4 additional teachers were hired. These teachers work but do not receive an official salary. Schools, however, do not only grow vertically. The following *listing* (August 2006) is an example of horizontal growth. Primary school Kawa (South-Kivu) developed from 9 (accredited) classes to 14 as of today; 5 extra, parallel classes were created (*dédoublement*) since start-up and 5 new teachers were hired (handwritten names on *listing*). Again, these teachers are "NU"; they are not registered and are not on payroll.

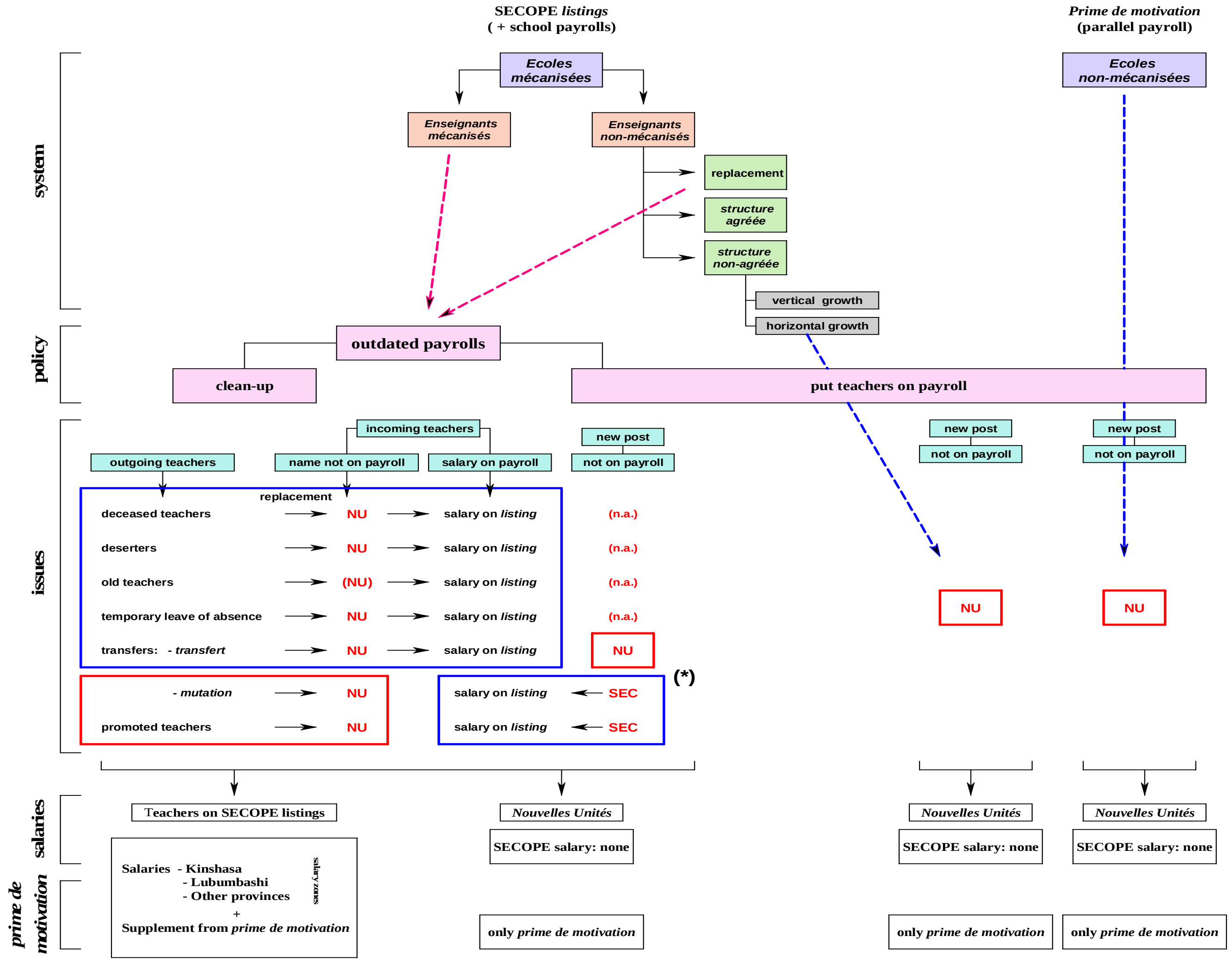
Finally, a fifth *listing* (October 2006) and its accompanying attachment ("*rapport de paie*") from Mbanza-Ngungu (Bas-Congo) give a good overview of some additional, ongoing anomalies. *Listings* may contain duplicates (called "*doublure*") when due to a printing error the same name appears twice. "*La mise en disponibilité*" (temporary leave of absence), "*transfert*" and "*promotion*" are common administrative procedures resulting in movement of staff. Transfers may occur from one network to another ("*transfert*") or from one school to another within the same network ("*mutation*"). In case of "*transfert*" teachers are paid in their new school; in case of "*mutation*" teachers are paid where their names appear on *listings*. It is certainly not too hard to realise the consequences of this 'perpetuum mobile' if payrolls are not regularly (monthly) updated.

For a better perception, Figure 8 on the next page visualises the major issues any future enterprise of a clean-up of the *listings* will have to face. The upper part of the diagram shows the precise location of *mécanisés* and *non-mécanisés* teachers in the system. The middle part highlights the main inconsistencies of the SECOPE *listings* and the correlated question of the

[1] Annex 46 (payroll A); Annex 47 (payroll B); Annex 49 (payroll C); Annex 50(payroll D). Annex 51 (payroll E).

[2] Letter N° ECC/DMKA/676/99 of August 30, 1999. The consultant received a copy of this letter in Kananga, November 2006. The school head had been sharing his salary with his son (replacement) for seven years. (Annex 48).

Figure 8.
Teacher payroll expenditure:
Payroll-related challenges



Source: Johan Verhaghe, February 2007

(*) teachers are paid where their names appear on *listings*

écoles mécanisées = registered schools (on payroll)
écoles non-mécanisées = non-registered schools (not on payroll)
enseignants mécanisés = registered teacher (on payroll)
enseignants non-mécanisés = non-registered teachers (not on payroll)
nouvelles unités (NU) = teachers not on payroll
SEC = SECOPE number
structureé agréée = authorized number of classrooms
structure non-agréée = school in expansion
(n.a.) = not applicable
prime de motivation = salary paid by parents

red boxes = budgeted posts (money available)
blue boxes = non-budgeted posts

nouvelles unités; the lower part connects teacher status to a (type of) salary and highlights the omnipresence of the *prime de motivation*, currently supported by parents. Finally, red and blue boxes give a rapid visual image on the category of teachers that will eventually have an impact on the payroll budget; blue stands for budgeted, paid posts (salaries are available because they appear on *listings*) and red shows the *nouvelles unités* that are not (yet) on payroll. It is plain to see that *nouvelles unités* teachers are identified in all parts of the system and that their regularisation is going to be a major policy concern for many years to come.

Picture 10. SECOPEP staff in front of their office in Kindu (Maniema).
Revitalising SECOPE is a condition *sine qua non* for a sustainable payroll policy.
(January 2007)

4.2. School 'payrolls'

Years of inaction from SECOPE finally forced school networks to look for local remedies. Often a 'bone of contention' and despite irregularities, these ad-hoc initiatives indisputably reveal a constant, underlying force to prevent the ship from wrecking. A couple of examples may suffice to prove this remarkable sense of resourcefulness. In Bas-Congo, SECOPEP put in place an effective system of payroll management. Schools are required to establish a "*rapport de paie*" (payment report) on a monthly basis. Annex 52 (*rapport de paie* of November 2006) shows the rationale behind the mechanism. The school payment report provides the following information: (i) *personnel sortant* (outgoing staff); *personnel entrant* (incoming staff); and (iii) *comptabilité de l'établissement* (school account). The bookkeeping is transparent: *montant reçu* (cash in); *montant payé* (cash out); s*olde "reliquat*" (surplus) and *solde "supplément"* (shortage). In the present case the school noted a shortage of CDF 31,484. This shortage was calculated as follows. The school received CDF 401,466 (sum printed on *listing*) but spent CDF 432,950. The balance is minus CDF 31,484. This signifies

that the school was not able to pay all teachers. A quick glance at the report makes it clear that total staff expenditure has increased: 11 new teachers were admitted (5 of which are NUs) but only 7 left the school. At this point, it might be useful to underscore that school heads do not manage the funds. Their role is limited to establishing written reports. Only the *gestionnaires* possess an overall picture of their school network. Surpluses and shortages are therefore centralized at their level, balanced accordingly and then redistributed. Some denounce lack of transparency[1]; others favoritsm and at times authoritarian behavior. SYECO Equator writes "*les salaires des déserteurs (ou des limogés) sont utilisés à volonté par les Gestionnaires*"[2] (salaries of deserters (or dismissed teachers) are used unlimitedly by the *Gestionnaires*). As said before, complaints about abuse of power from *gestionnaires* are not new; on the other hand, they should not be generalized and/or dramatised. In the case of Bas-Congo, for instance, SECOPEP continues exercising authority on payroll management. Schools (and *gestionnaires*) justify the expenditure and forward copies of their payment reports to both local and provincial SECOPEP offices[3]. These local management mechanisms should not be underestimated. They require discipline and organisational capacity. The list of 'incoming staff' on Annex 52 displays the names of 6 transferred teachers (*provenance*). This signifies these teachers still have their names (and salaries) on the *listings* of their schools of origin. It is evident that only a load of headwork can iron this out.
Two payrolls (November 2006) from the Protestant network in Mbandaka (Equator) shed some light on the use and destination of surpluses. SECOPE authorizes Institut Bolenge[4] to hire 43 teachers (*effectif autorisé*). Today, the school employs only 34 teachers (out of which 17 are NUs). A closer look at the payment report shows that 11 *nouvelles unités* received CDF 2000 each (lump sum) and 6 of them salaries oscillating between CDF 14,000 and CDF 20,000. Above-mentioned suspicion of favoritsm could explain the origin of these differences. For instance, teachers 29 and 30 both have *grade* (rank) 22 and *échelon* 0 (grade) but receive different salaries. Presumably, certification, experience and number of years of service (in the school) are parameters entered into salary calculation formulas. The second school (Institut Nkweli)[5] is an interesting case from many viewpoints. The *structure agréée* (authorized number of classes) of the school is 2 and the *listing* prints out the name of one single teacher (*effectif autorisé* is 7). Apart from evident questions on viability, the school payroll also reveals the very low (almost symbolic) salary paid to NUs (CDF 700). This could, however, testify of a genuine willingness to pay at least 'something to everybody' using restricted resources in the best possible way; and would then, of course, contradict allegations of partiality. Essentially, surpluses come from replacements. For instance, if an outgoing teacher with rank 31/6 is replaced by a NU, rank 31/0 (identical certification but zero years of experience) then the school 'husbands' 6 *échelons*[6]. Annex 55[7] gives an overview of monthly amounts allocated to NU teachers by network in Equator province as of December 2006. The biggest amounts are located in the Catholic and Kimbanguist network. Again, the table suggests an equitable repartition of sources available. Finally, the above examples clearly confirm the existence of (i) an operational 'complementary' payroll management system; (ii) genuine efforts to establish more equitable payrolls; (iii) transparent mechanisms that justify payroll expenditure at different levels (school, *gestionnaires*, SECOPEP); and last but not least (iv) local potential for sustainable PEM.

[1] SYECO, *Rapport circonstancié sur la paie des enseignants*, November 2006, p.2.
[2] SYECO, *Mouvement de la paie des enseignants dans la province de l'Equateur*, December 2006, p. 6.
[3] Schools send copies of their payment reports to the *gestionnaire*, *SECOPE provincial* and *antenne SECOPE* (see payment report Annex 52).
[4] Annex 53. The *listing* of December 2006 (not in the annexes) shows 19 teachers in place (*effectif en place*) and 43 authorized teachers (effectif autorisé).
[5] Annex 54. The *listing* is not in the annexes.
[6] One *échelon* stands for 3 years' experience.
[7] SYECO, *Mouvement de la paie des enseignants dans la province de l'Equateur*, December 2006, p. 4.

4.3. *Prime de motivation*: a parallel 'payroll'

The *prime de motivation* is a salary supplement paid by parents to teachers – and, in principle, directly negotiated at school level. It is therefore hazardous to make any hasty generalisations on its relevance and impact. Moreover, parents and teachers do not negotiate a salary. They discuss a monthly (or quarterly) contribution per child[1]. Partition of that money is an exclusively internal affair between (school head and) teachers[2]. Generally, the *prime* is a lump sum; within a given school teachers indistinguishably receive the same amount. Repartition, establishment of 'payrolls', payment, receipt signatures etc; they all echo different steps of a common payroll system. However, there are some fundamental differences. First, this is not guaranteed monthly salary. The *prime* may, for instance, come to a halt during holidays. In most schools it only spans 10 months in lieu of 12. Second, salary amounts can vary; they entirely depend on unsteady contributions from students. Reportedly, teachers may 'soup up' incoming cash as soon as it is collected signing weekly 'advances on salary'. Third, in rural zones 'payrolls' and 'receipts' make very little sense; teachers often receive in-kind contributions (basket of cassava, bar of soap etc) in stead of money. Finally, the *prime* further accentuates existing wage disparities. Big schools offer high supplements; small networks acquiesce in smaller top-ups. Once again, the system favors big centers as Kinshasa and Lubumbashi (privileged 'salary zones') and ignores the constitutional 'equal pay for equal work'. Consistent mapping of the *prime de motivation* should therefore include above multiple parameters (location, enrollment, network, type of school and period) or at least provide disaggregated data by province and district; by *centre* and '*village*'; by type of school (primary or secondary); and finally, by network. Inevitably, any approach will remain tentative because the *prime* is by definition a *school-based* negotiated salary.

Ad-hoc research in Lubumbashi, Goma, Bukavu, Kindu and Mbanza-Ngungu[3] (see Table 5 on next page) roughly confirms previous trends[4] but salaries converted into US dollars tend to be lower because of inflation (USD 1 = CDF 450 in 2006; in December 2006-January 2007 the average rate was USD 1 = CDF 510). Data from Lubumbashi (Katanga) shed some light on pay differentials in different networks. Catholic and Protestant networks offer by far the highest *primes*; Kimbanguist and state-run networks score significantly lower. Interesting is that similar individual contributions at school-level not necessarily lead to similar *primes*. For instance, Kimbanguists ask higher contributions than Catholics and Protestants (CDF 2,500 against an average of CDF 1,200 in primary schools and CDF 3,000 against CDF 2,200 in secondary schools) but offer proportionally very low top-ups (up to four times less). This is probably due to low enrollment but may also indicate that parents are poorer and do not contribute regularly. The data further confirm that the *prime* is proportional to distance; it decreases significantly in remote areas. In Manono (see figure 5, p. 29) primary teachers of the Protestant network only get CDF 5,000 (USD 9.8); but then their colleagues of Kasaji[5] are paid USD 29.4. Clearly, 'remote' is not always synonym of 'extremely poor'. Accessibility and local commercial activity are among criteria that can have a direct impact on school expansion (and fees). Prudence is therefore the rule before drawing any quick conclusion. Finally, systematic study may be necessary to identify and map those areas where the *prime* is

[1] By way of example, Annex 56 reproduces the minutes of a recent General Assembly of Parents in primary school Noki in Mbanza-Ngungu (Bas-Congo). Here the parents adopted a monthly contribution of CDF 400 per child.

[2] In a letter to the S/PROVED of Goma teachers from E.P. Virunga Quartier complain about their low supplement (USD 30) and accuse the school head of embezzlement (June 18, 2005).

[3] Period December 2006-January 2007.

[4] Verhaghe J., '*Notre Beau Métier': Ensuring the Quality of Primary school teachers in the DRC*, 2006, pp. 52-55.

[5] Kasaji is located in Dilolo territory (Katanga).

only collected to pay *non-mécanisés* teachers. Previous research[1] already detected the existence of such 'zones': Isiro in Orientale Province; Gemena in Equator and Bandundu province. Reportedly, Masisi Territory (North-Kivu) should be added to the list. NU teachers have to make do with very little and content themselves with the *prime*. As said before, in some cases they may equally profit from redistributed surpluses (internal payroll management) but their living conditions remain precarious.

Table 5. Trends in *prime de motivation* (US $)
(exchange rate: USD 1 = CDF 510)

1. Lubumbashi (Katanga)

Prime de motivation

P	Lubum	Kasaji	Manono
EP	78	29.4	9.8
ES	108	33.3	(n.a.)

Monthly contributions (per child)

P	Lubum	Kasaji	Manono
EP	2.9	1.9	1
ES	4.9	2.9	1.9

K	Lubum	Inland
EP	29.4	3.8
ES	39.2	9.8

K	Lubum	Inland
EP	4.9	1.5
ES	5.9	1.9

C	Lubum	Inland
EP	117.6	39.2
ES	147	100

C	Lubum	Inland
EP	1.5-2.3	1
ES	2.9-4.9	1.2-1.9

S	Lubum	Inland
EP	29.4	9.8
ES	39.2	19.6

S	Lubum	Inland
EP	1.3-1.5	(n.a.)
ES	3.8	(n.a.)

2. Goma (North-Kivu)

	Goma	Masisi
EP	30-60	29.4
ES	60-90	29.4

	Goma	Masisi*
EP	1.5-2	0.3
ES	4-5-7	0.5

3. Bukavu (South-Kivu)

	Bukavu	Inland
EP	40-50	10-25
ES	50-65	10-30

	Bukavu	Inland
EP	2	1
ES	4	2

4. Kindu (Maniema)

	Kindu	Inland
EP	29.4-41	(n.a)
ES	49-58.8	(n.a)

	Kindu	Inland
EP	1	0.3
ES	1.9-3.2	(n.a)

5. Mbanza-Ngungu (Bas-Congo)

	Mb-Ng	Inland
EP	16.6-26.4	5.9-7.8
ES	26.4-39.2	9.8

	Mb-Ng	Inland
EP	5.9-7.8	0.4
ES	9.8	1.1

EP = primary school
ES = secondary school

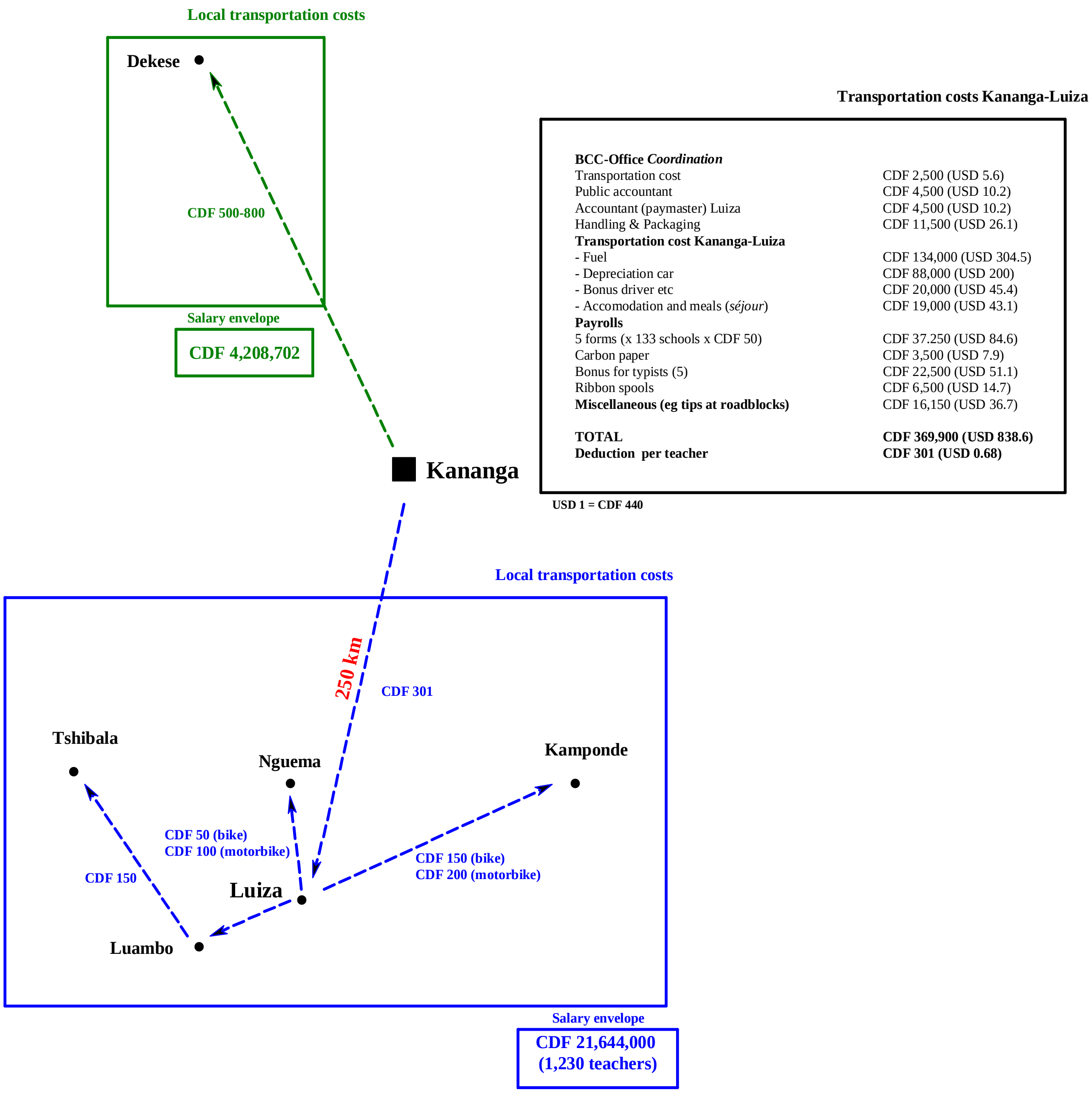
P = Protestant; K = Kimbanguist; C = Catholic: S = state-run network
* Reportedly, the *prime* is only collected for teachers *non-mécanisés*.

4.4. Estimated 'net salary'

Annexed tables[2] detail (approximate) net salary of primary D4 and D6[3] teachers, disaggregated by *échelon* (as of February 2007). They add up official salary and *prime de motivation* minus the leaks. Leaks are estimates; they include salary cuts for transportation costs (from accountants and/or *gestionnaires*) but also leaks due to missing or unusable banknotes. Estimated amounts are based on (i) data provided by *gestionnaires*; and (ii) letters of complaint from beneficiaries to accountants or bank managers. By way of example, figure 9 describes the route of teachers' salaries from Kananga to Luiza (Kasaï-Occidental) and beyond. The information dates from March 2006 but is still relevant. In fact, costs have

[1] Verhaghe J., '*Notre Beau Métier*', p. 54.
[2] Annex 65.
[3] *D4* = four years of secondary education; *D6* or *diplômé d'état* graduated from secondary school. Both certifications entitle teachers to teach at primary level.

Figure 9.
Teacher payroll expenditure:
Local transportation costs (Kananga)



Source: Johan Verhaghe, February 2007
(based on data provided by Catholic network, Kananga)

gone up due to inflation. In 2006, a teacher from Kamponde contributed CDF 451-501 (about USD 1-1.1) but today s/he pays CDF 520-570. In addition, it is evident that deductions are proportionate to distance and volume. Longer distances result in higher transportation costs; bigger salary envelopes (i.e. more teachers) reduce the individual impact. In the case of Dekese, the salary envelope is relatively small but the cost per teacher relatively high (up to CDF 800 or USD 1.5). Missing and/or unfit banknotes is another leak hard to measure. Figure 7 identified the loss as low-flow at the top of the pyramid. However, for individual teachers the loss can be significant. In principle, missing banknotes are detected at the level of the

gestionnaires/paymasters. In this case, the cost is shared equitably and the cut is 'low'[1]. Soiled banknotes, on the other hand, are a different issue. Teachers accept them willy-nilly. Reports on teachers losing up to CDF 1,000 (or more) are not an exception. This is particularly true at provincial level where locally collected tax money is repeatedly re-injected into a *de facto* closed circuit and not renewed. Transportation costs and loss of banknotes are estimated at USD 1 for big centers and USD 2 for inland localities. As said before, these are moderate-flow leaks that vary country-wide. However, and generally, they do not seem to exceed one or two dollars per month.
Table 6 provides a summary of current net salaries in 'salary zones' Lubumbashi *Ville* and other provinces (*in casu* the two *Kivus* and Bas-Congo). The figures confirm that (i) the *prime* strengthens wage disparities; (ii) outside big centers, teachers may earn significantly less. Naturally, big centers can rely on a vast network of schools and high enrollment rates. Especially Catholic and Protestant schools are able to considerably increase their teachers' salaries (respectively 3.3 and 2.5 times in Lubumbashi). Goma and Bukavu are traditionally 'dynamic' centers, they double their salaries. However, in a town like Mbanza-Ngungu salaries increase only slightly.

Table 6. Net salary of D4 and D6 teachers (in US $)
(as of February 2007)

		Official net salary	Total net salary (*prime de motivation* included)	
North-Kivu			**Goma**	**Masisi**
	D4	**30.1**	**67**	**53**
	D6	**32.3**	**69**	**55**
South-Kivu			**Bukavu**	**Inland**
	D4	**30.1**	**67**	**43**
	D6	**32.3**	**69**	**45**
Katanga			**Lubumbashi**	**Inland**
			P K C S	**P K C S**
	D4	**39.8**	**104 63 137 63**	**62 46 41 71 46**
	D6	**42.1**	**106 66 139 66**	**65 48 43 73 48**
Bas-Congo			**Mbanza-Ngungu**	**Inland**
	D4	**30.1**	**43**	**33**
	D6	**32.3**	**53**	**37**

P = Protestant ; K = Kimbanguist ; C = Catholic ; S = state-run network

To sum up, further research should provide better insight into the complex structure of the *prime de motivation*. With regard to the table, it is certainly legitimate to question the usual (urban) fuss over the *prime* at the start of every school year. The PROVED of Mbanza-Ngungu explained how children grow their own vegetables to pay their school fees; their parents being too poor to put up the supplement. Both elements may suggest that, in reality, the *prime* is essentially a combat of the center; not the periphery. The further away from the center it moves, little by little the *prime* grows 'slimmer', and salaries plunge.

[1] A memo from the Catholic Provincial *Coordination* in Kananga (Kasaï-Occidental) of December 31, 2004 informs staff of a CDF one million deficit. (Annex 57).

Chapter 2: Toward a more effective payroll mechanism

As said before, an efficient and accountable payroll system should at least commit to timely and full delivery of salaries. Rationale for a rethink of the payroll process should therefore (i) locate major impediments for a smooth implementation of this commitment; (ii) formulate recommendations to tackle them effectively. In addition, 'effective' equally implies 'doable' and 'sustainable'. First, the system needs to fit in existing institutional mechanisms. Second, it should rely as much as possible on local potential and capacity. Third, it may need to be flexible, in the sense of replicable; for instance, can it cope with ongoing decentralization issues? Is it applicable to other Civil Service sectors? etc. And finally (within the sector) is the circuit sufficiently reliable for channeling other monetary resources such as HIPC money (*frais de fonctionnemen*t) to beneficiaries?

The working method is the following. Figure 12 (on page 46) is a summary diagram that identifies (i) major issues and how they should be addressed; (ii) key players (decision makers and beneficiaries) involved in payroll expenditure, and (iii) expected output or change. The diagram is the backbone of this chapter. It offers to the reader a practical tool of reference s/he can use to remember the big picture and see the wood for the trees. Essentially, the next pages 'line up' previously identified obstacles and then systematically recommend the best course of action. Obstacles are often due to 'human interference'. It is therefore fundamental to assess positions (and degree of authority) of decision-makers at different levels and, in particular, appreciate their role as enablers or barriers to change.

1. Prerequisites to an effective payroll process

SECOPE *listings* are outdated; they do not tally with realities in schools. Every month, *gestionnaires* and school heads spent considerable time (and paper) on 'harmonizing' school 'payrolls' and *listings*. The following list recapitulates the main findings:

- names of outgoing teachers are not removed from *listings*;
- outgoing teachers are replaced by unidentified 'incognito' teachers;
- names and salaries of transferred and promoted teachers are not transmitted to their new assignments;
- *écoles mécanisées* employ non-registered teachers (*postes autorisés*) who work next to their *mécanisés* colleagues;
- expanded *écoles mécanisées* hire new, non-registered teachers;
- *écoles non-mécanisées* duly identified by SECOPE wait for regularization;
- unidentified *écoles non-mécanisées* continue to grow outside the official system;

It is clear that in light of future (donor) support to teachers' salaries (e.g. salary rise) a total cleanup of payrolls is a condition *sine qua non* for transparency. Indeed, how to augment teachers' salaries if the MOE does not command their number? Today nobody is able to tell the exact number of *mécanisés* and *non-mécanisés* teachers. At this point, it might be useful to rectify a persistent misunderstanding. An often-heard argument to justify the hopeless situation of the teacher payroll system in the DRC is, "*On ne paie pas l'individu mais le poste*". This would signify that SECOPE does not pay individual teachers but posts. Closer to the truth, however, is that in reality SECOPE pays the teacher who occupies the post ("*On paie l'individu qui occupe le poste*"). After all, *listings* are nominative lists. Presumably, confusion comes from the so-called "*postes autorisés*" (or "*postes à pourvoir*") in a given school. These are teacher posts that are 'available' or 'open'; the school is allowed to fill them in and hire teachers. Years of inaction from SECOPE also gave birth to parallel and fraudulent circuits[1]. Schools and teachers were put on *listings* in exchange for money. However, at SECOPE central administration their (written) applications do not exist. Add to this the great number of schools accredited every year by succeeding Ministers of Education that do not follow due process. Previous research already cited the case of 121 newly accredited schools in South-Kivu (a headcount of 1,130 teachers)[2]. A second example is a ministerial decree that regularizes the new *structure pédagogique* of 50 schools in North-Kivu[3]. These are schools that added new classrooms or opened new sections. Article 2 of the decree reads: "*Le personnel des écoles publiques affecté à ces nouvelles sections, options et classes sera pris en charge par l'Etat* ***après avis du SECOPE***" (The government will pay staff of public schools assigned to these new sections, options and classes **upon favorable recommendation of SECOPE** – bolds are mine). In principle, 'recommendation by SECOPEP' signifies ex-ante site-visits and viability reports. These reports do not yet exist. What happens then if SECOPEP discovers biased information? What elbow room does SECOPEP have to contradict a ministerial decision? In addition, this also indicates total absence of concerted action between Ministries. The MOE commits to a payment of new teachers but does not have the budget to satisfy that commitment. In the end, the impact can only be negative. The Ministry of Budget either denies the commitment and the *mécanisation* of the teachers is postponed *sine die*; or the MOE mortgages the future of the education sector. In both cases, a government adds another heavy load on parents (*prime de motivation*) and teachers (*non-mécanisés*). Finally, but important in terms of PEM, outdated payrolls may produce leaks. Reports confirm they give grounds for suspicion of misappropriation of surpluses. As said before (p.26), this cannot be excluded and only a thorough cleanup of payrolls can prevent it. Updated *listings* that do not differ from the situation on the ground will neither produce shortages nor surpluses.

The situation on the ground being opaque, very little can be done prior to 'cleaning the house from attic to basement'. A reliable payroll is therefore a prerequisite for transparent payroll management. Recommendations in order of priority are:

1. Urgent, immediate need for updating[4] SECOPE *listings*;
2. Put *non-mécanisés* teachers in *écoles mécanisées* on payroll;
3. Regularize *écoles non-mécanisées* that are currently in the accreditation pipeline;

The first two steps are indispensable to obtain a clear picture of registered schools country-wide. This logically includes a regularization of all teachers that actually work in these schools. It is obvious that both government and donors need to know exactly what they are talking about when referring to 'teachers' or 'schools'. In terms of credibility and budget forecasts, this is fundamental. The third step may require significant additional funding. To date, the number of 'identified' schools is unknown[5]. However, SECOPE(P) has okayed their application. As a consequence, their diligent *mécanisation* is a next (mandatory) step that would indisputably send out a strong positive signal of increased governmental responsibility.

[1] The Director of SECOPE cites different examples of parallel circuits. The first one (called 'agrey' or 'mopao zoba') are individuals who act on behalf of *non-mécanisé(e)s* schools/teachers and bribe SECOPE computing staff in Kinshasa to insert new names on official *listings*. The second one (called 'phonie mikili') is a radio operator that contacts SECOPE on its radio network and acts *in lieu of* a SECOPEP office (SECOPEP uses radio to communicate with SECOPE and transmit data). A third example (called *pré-listing*) is SECOPE staff that prints out draft *listings* of schools or teachers recently put on payrolls. These *listings* have to convince beneficiaries that their names will figure on next payroll (on condition, of course, they pay for the service).

[2] Verhaghe J., 'Notre Beau Métier', p. 42.

[3] Ministerial Decree N° MINEPSP/CABMIN/0099/2004 of June 21, 2004. (Annex 58)

[4] A freeze on personnel transfers and a moratorium on the accreditation of new schools is a prior condition to an effective *mise à jour* (update) of the payroll. According to SECOPE this is part of their remit and therefore doable. In addition, the Ministry of Budget recommends a *gel des effectifs* (freeze on staff) during the period covered by a census (*Instructions relatives à l'exécution du budget de l'Etat pour l'exercice 2006*, p. 48).

[5] Manual lists exist per province but have not been centralized yet.

Figure 12.
Toward an effective payroll process:
Implementation plan

1. Prerequisites to an effective payroll process

1. Urgent need for updating current teacher payrolls

- SECOPE payrolls and school payrolls do not match
- existence of parallel (fraudulent) circuits

- MOE/SECOPE(P)
- *Gestionnaires*
- Teacher unions

- External expertise
- SECOPE(P)
- *Gestionnaires*
- Teacher unions

Step 1: Regularize all teachers in registered schools (*écoles mécanisées*)

1. harmonize SECOPE payrolls (listings) and school payrolls:
   - confirm replacement of deceased teachers and/or deserters by new ones (*nouvelles unités);*
   - put non-registered teachers (and classes) in registered schools on payroll;
2. regularize schools currently in the accreditation pipeline;
3. decide on a case-by-case basis accreditation of non-registered schools (following strict school mapping and viability criteria; eg distance from other schools, estimated student enrolment etc).

simultaneously

4. place a freeze on personnel transfers;
5. impose moratorium on accreditation of new schools

output

- updated teacher payroll of registered schools;
- conformity between SECOPE payrolls and school payrolls (no more shortages or surpluses)

Pilot project in small province (eg Maniema)

output

- field work leads to better understanding of realities on the ground (in terms of current logistical challenges, local potential for alternative "stopgap" responses to handle mysfunctioning etc);
- harmonization of payrolls results in realistic estimates of impact on education budget at provincial level (and by extrapolation, at national level);

Step 2. Revitalise SECOPE(P)

1. revamp and reformulate SECOPE mission, eg restore SECOPE as independent (though not all-powerful) body:
   - directly attached to the MOE (not SG);
   - via better ex-post control mechanisms, including the power to take appropriate disciplinary action;
2. reinforce SECOPEP's operational capacity on the ground:
   - logistical support for field work;
   - secure internet access to liaise with SECOPE Kinshasa and update payrolls on a monthly basis;
   - issue of listings at provincial level (in lieu of costly or late shipments)

2. Rethink of current payroll process

2. Need for combating payroll malaise due to:

- multiple layers of involvement
- slow implementation, arrears and late pay
- high risk of waste, leakage and malpractice
- weak relationships of accountability

Step 3: Simplification of current payroll process

1. remove redundant layers such as Pay Commissions and public accountants and return to former system (ie bank-(SECOPEP)-*gestionnaires*-schools);
2. restore SECOPE as autonomous body ensuring ex-ante (listings) and ex-post (signed listings) controls ;
3. open free-of-charge bank accounts for *gestionnaires* (state and church-run networks);

Next step
4. open bank accounts for schools in urban centers

output

- simplified mechanism involving few intermediaries;
- more timely payments of salaries;
- significant reduction of potential risk factors (particularly embezzlement);
- stronger accountability relationships (intermediaries become 'front line' providers);
- easier implementation of ex-post controls

Strong political will (most likely external pressure)
Interministerial involvement
(Budget, Finance, Civil Service, Education)
See: Council of Ministers (May 22-23, 2006)

3. Need for the removal of (institutional) barriers causing delays:

- multiple layers of involvement (see above);
- real (or fake?) cash liquidity crises in banks (*);
- severe logistical challenges and high costs for transportation of funds into the interior;
- inefficient, tedious routes for delivery of salaries

(*) Cash 'shortages' are mainly due to:

- insufficient deposits from local tax revenue;
- use of dollars in lieu of CDFs in cash transactions by local merchants (*la dollarisation*);
- priority payments to other services (eg the military) or loyal clients (eg commercial banks);
- inadequate planning and poor time management (and, as a consequence, slow cash supply from BCC Kinshasa);
- unspoken, obscure reasons (suspicion of use of public funds for personal enrichment)

Step 4: Expedite elimination of risk factors for delay:

1. minimize layers of involvement (see above);
2. provide sufficient funds for transportation of cash;
3. pay teachers with big-denomination banknotes;
4. reduce distances between *CaisCongo* and pay centers (eg transfer of funds following criteria of proximity, not provincial limits);
5. (?) set up a Guarantee Fund ("Buffer Account") to ensure regular payment (i.e. a temporary account that covers 2 month's salaries)

Alternative routes:
- money transfer agencies;
- local firms

(*)
"Under this program the Government has already taken steps to deal with the social instability caused by continuing arrears in teachers' pay by creating a temporary account which it will keep funded to cover 2 months' salaries as a guarantee or Buffer Account for timeley payment"
World Bank, Project Appraisal Document n° 16650 (1997) for Guinea-Bissau

output

- more timely salary payments;
- teachers receive their full salary (no more deductions);

- Ministries of Budget, Finance, Education
- Banks
- SECOPE(P)
- *Gestionnaires*

3. Missing or unfit bank notes

4. Need for ensuring correct payments

- bank notes are missing in wads;
- many bank notes are soiled and not accepted on local markets

Step 5: Urge banks to

- schedule payments in the morning;
- reinforce ex-post control mechanisms for tellers;
- pay teachers with acceptable (big-denomination) banknotes

output

- ensure correct payments (no deductions);
- minimize volume of cash (transportation)

- BCC
- commercial banks

4. Elimination of salary zones

5. Need for combating demotivation due to:

- wage disparity (based on the place of residence);
- unjustified favoritism toward big urban centers

Step 6: Return to unique salary scale for teachers with similar certification levels

- standardize salary scales;
- explore ways of introducing justifiable COLAs (eg transportation in Kinshasa; '*prime de brousse*' in rural centers etc);

output

- return to fair (constitutional) salary scales;
- higher motivation of teachers

-Government
- Education stakeholders

decision makers and key stakeholders involved
current situation
output
measures to be taken

Evidently, these first, pressing measures fully implicate SECOPE and its provincial outlets whose core mission is to conduct quantitative surveys[1] in schools and to register teachers. In practical terms, this means visit every single school and record every single teacher. And this is exactly what provincial SECOPEP offices have not been doing for years. Basically, the problem is double. First, SECOPEP does not have the logistical capacity (anymore) to do these site-visits on a regular basis. Second, their central computer system is obsolete[2] and cannot absorb these enormous quantities of data pouring in from across the country. In addition, and certainly in light of an upcoming decentralization process, SECOPEP offices should have their proper autonomy to (i) directly update teacher/school records via a secure internet connection with SECOPE headquarters in Kinshasa; (ii) print *listings* locally[3]. Today all provinces have internet connection although for some of them (constant) electricity supply remains an issue. It should therefore be perfectly feasible to liaise with Kinshasa via e-mail and instantly transmit teacher/school data in stead of using tedious (and often costly)[4] routes of individual carriers. Of equal importance is the question of authority. In the 1980s SECOPE was an autonomous body directly attached to the Minister of Education[5]. Today it depends on the Secretary General. In the past, SECOPE was technically independent and could carry out its job strictly and properly; in case of blockage the Minister could stop short. To a certain extent, today's situation is much similar to that one of the 1980s. An effective cleanup of the system is not possible without sufficient elbow room. In clear, SECOPEP should be protected from (especially politically motivated) intervention to discharge its functions efficaciously. In addition, proven misconduct of SECOPE staff should be corrected immediately. Today this is practically impossible[6]. However, the previous organizational structure (Minister-SECOPE) enabled rapid and 'exemplary' disciplinary action, if necessary. Recommendations are:

4. Revitalise SECOPE and SECOPEP:
   a. Logistical capacity
   - replace obsolete central computer system and safely transpose data;
   - equip and connect SECOPEP offices to central server in Kinshasa;
   - strengthen mobility of SECOPEP offices to carry out field work effectively[7];

   b. Technical independence
   - plead for administrative arrangements to ensure full technical independence;
   - outline a code of conduct that sets out professional and ethical standards;
   - establish clear administrative procedures for disciplinary action up to and including discharge;

This, of course, is not going to solve the remaining, huge problem of the *non-mécanisées* schools (and teachers) currently operational (?) on the ground. According to recent research conducted in September-October 2006[8] the number of fully *non-mécanisés* primary teachers

[1] Ministerial Decree N° MINEPSP/CABMIN/001/00085/92 of September 30, 1992. Article 2: *Clarifier la situation quantitative de l'EPSP tant au point de vue du nombre des écoles, de leurs structures, des options, de l'infrastructure, que des élèves et du personnel administratif* ; Article 7 : *Etablir progressivement un dossier complet par école et par enseignant*.
[2] Reportedly, if their central server breaks down they might lose all data.
[3] SECOPE ships every month 42 parcels (663 kilos) to the provinces. The total cost is approximately USD 1,050. However, this does not include transportation costs at provincial level and the amount of time and energy that is necessary for shipment and/or receipt of packages.
[4] Many *gestionnaires* complain about the fact that they have to financially support trips of SECOPE offcials to Kinshasa for so-called 'follow-ups' of their records.
[5] Minister Nzege Alaziambina established SECOPE in 1985 and was strongly (personally) committed to the success of the census.
[6] According to the SECOPE Director, disciplinary action is limited to suspension only.
[7] It might be worth trying to combine SECOPEP and Inspectorate site-visits. For evident reasons of effectiveness, mixed teams of SECOPE staff and inspectors could plan their school visits simultaneously.
[8] Source: World Bank Economist Juan Diego Alonso and consultant Johan Verhaghe.

may total 59,000 and up to 80,000 for secondary teachers. These are approximates but they are startling facts and telling indicators of the dramatic situation across the country. Socially speaking, this is a potential 'time bomb' as it will probably preserve for many years to come (i) the *prime de motivation*; (ii) a two-tier system between *mécanisés* and *non-mécanisés* teachers. The role of a 'new' SECOPE(P) is to map these schools as quickly as possible and (i) check on a case-by-case basis their conformity to viability standards; (ii) assess their relevance in a given locality; and (iii) schedule their progressive accreditation in accordance with available budgets (e.g. X number of schools per year).
Recommendations are:

5. Conduct (as soon as possible) a country-wide census[1]
- to update current payrolls (see above);
- to map all unregistered schools (and teachers) currently operational on the ground;

The results of this census would give a precise idea on ground realities and would enable government (and donors) to put in place an X-year plan for the regularization of identified and viable schools. Such a plan would ease the minds of both parents and teachers and (if correctly implemented) add significant credit to governmental action. Finally, in order for this census to be credible, direct involvement of the following key actors is recommendable: (i) teacher unions for ex-ante control of teacher records; (ii) *gestionnaires* for concerted action and/or consensus on *non-mécanisées* schools in a given area; (iii) external (neutral) expertise to follow-up and ensure conformity to norms.

Picture 11. Head of SECOPEP in her office in Mbanza-Ngungu.
Sustainable payroll management should rely on local capacities and competence.
(Bas-Congo 2, 2007)

[1] A pilot project in one or two provinces (e.g. Maniema and Bandundu) may be an alternative before conducting a national survey. This would provide essential information on current logistical challenges and the scope of the payroll problem. However, time might be a constraint if government wants to move forward quickly.

2. Rethink of current payroll route

The first chapter identified a number of obstacles responsible for late salary payment and (minor to high-flow) leakages. Essentially, these are:

- multiple layers of involvement;
- logistical challenges for transportation of salaries;
- cash shortages or 'liquidity crises';
- missing or unfit banknotes;

The next pages recommend a series of actions for the removal of these obstacles and a return to a more effective, streamlined payroll system.

2.1. Delayer the system

Today[1] SECOPE has on its table a draft letter addressed to the Ministers of Education, Budget, Finance and Civil Service - to be submitted as soon as the new Gizenga government takes up office. The letter proposes *"Le retrait aux Commissions de Paie de la supervision de la paie des enseignants"* (withdrawal from Pay Commissions of the management of teacher payrolls). This is not a curious coincidence. Elections, a new constitution, a new government; those are strong indicators that trigger hope for change and a new start. The letter should be placed into this context. The fact that SECOPE puts the subject on the agenda indicates that conditions are in place for a reasonable chance of success. In addition, numerous reports[2] from key education stakeholders unanimously solicit simplification and a return to the former salary payment chain 'SECOPE-*gestionnaires*-schools' identifying higher layers as major impediments to smooth and secure payroll management. Findings confirmed this. High-flow leaks mainly involve Pay Commissions and public accountants. Similarly, significant delays occur (though not exclusively) at their level.

The SECOPE draft letter has two attachments. The first one refers to a decision of the Council of Ministers in May 2006[3] (restoring SECOPE in its role as manager of teacher payrolls); the second one is a letter of the MOE to his colleague of Interior (October 2006)[4] asking to instruct provincial Governors and "*faire appliquer la décision prise par le Conseil des Ministres*" (to apply the decision of the Council of Ministers). Unfortunately, these two letters were never implemented in the provinces. By way of example, the PROVED of North-Kivu in turn wrote a letter to the Governor[5] asking "*de prendre une décision qui remet la paie des Enseignants à la Cellule Provinciale du SECOPE/Nord-Kivu 1"* (to take a decision that restores SECOPEP/North-Kivu 1 as manager of teacher payrolls); the Governor replied (December 2006)[6] and instructed the President of the Pay Commission (Budget) to execute the decision of the Council of Ministers "*sans la moindre tergiversation*" (without any delay). This decision was brushed aside by the Division Head of Budget and as of February 2007 nothing had changed on the ground. The reason for this refusal was that the Minister of Budget did not bother (want) to inform his provincial subordinates; without instructions, they simply maintained a *status quo*.

High-level congestion may need high-level decision power (presumably at presidential and Prime Minister/Council of Ministers–level) to break the deadlock. With regard to this, the reading of recent key texts on government policy is reassuring and comforting. They testify at

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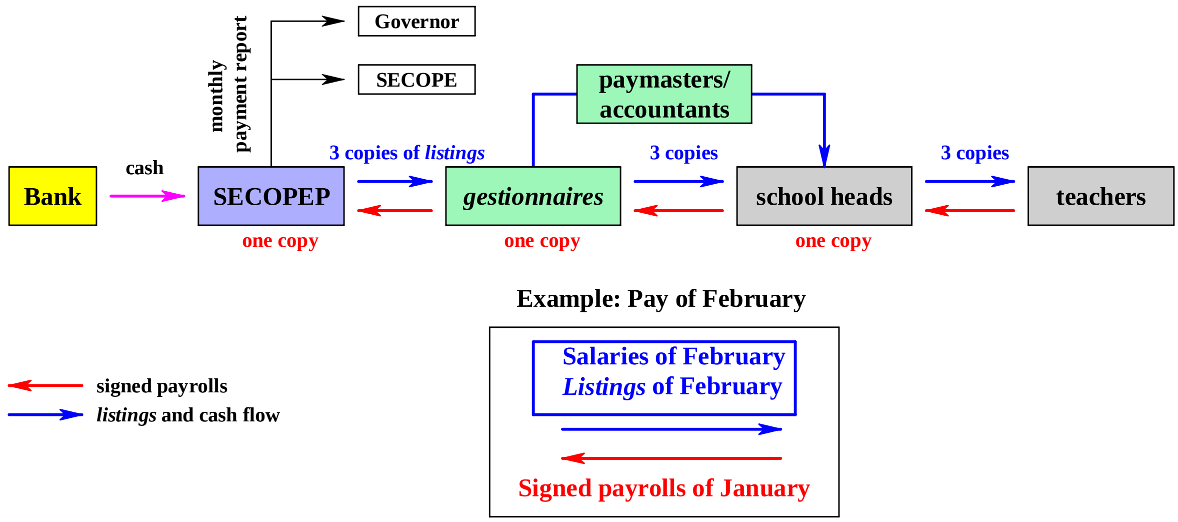
[1] End of Eebruary 2007. Source : SECOPE Kinshasa.
[2] Verhaghe J., '*Notre Beau Métier*', p. 31.
[3] Council of Ministers, *81ième Réunion des lundi 22 et mardi 23 mai 2006*, point 4.1 (Annex 59).
[4] Letter N° MINEPSP/CAB/MIN/0611/2006 of October 14, 2006 (Annex 60)
[5] Letter N° MINEPSP/PROVED/NK 1/800/2/533/2006 of October 13 (?), 2006 (Annex 61)
[6] Letter N° 01/328/CAB/GP-NK/2006 of December 15, 2006 (Annex 62)

the highest levels of the State of strong political will committed to combat corruption[1] and "*la fraude, la mégestion des finances publiques, les détournements des derniers publics, toute forme de malversation financière*" [2] (fraud, misuse of public funds, embezzlement, any form of financial malpractice). One of the top priorities of the new government's plan of action[3] is to "*lutter contre la corruption sous toutes ses formes*" (combat any form of corruption) and "*c'est par la tête que nous entendons changer notre société*" (change our society starting at the top). Recommendations are:

6a. Flatten the payroll system to minimize risks and maximize relationships of accountability;
6b. Remove layers identified as major leaks and delays in teacher payroll expenditure, in particular Pay Commissions and public accountants;
6c. Strongly advocate at government level the legitimacy of these measures as precondition for a secure payroll process;

Figure 13 below shows how elimination of Pay Commissions and public accountants will lead to simplified payroll processing and restore both SECOPEP (and *gestionnaires*) in their natural role of frontline service providers. It is obvious that fewer layers will (i) reduce risks; (ii) facilitate monitoring to detect malpractice/leaks; and (iii) considerably augment 'voice' from beneficiaries. This, in turn, is likely to build better management and higher morale from the side of the providers as they no longer act as one of the multiple 'links in the chain'. SECOPEP works under direct authority of SECOPE (MOE) and *gestionnaires* have a face-to-face relationship with their teachers. For example, disciplinary action from a Provincial Coordinator against his paymaster is easier to implement than take a public accountant to court. The fact that both belong to the same network and have an employer-employee relationship may work as a more effective safeguard.

Figure 13.
Teacher payroll expenditure:
Simplified route for salary delivery and return of signed *listings*



Safeguards are equally necessary at administrative level. Public expenditure needs transparent ex-post control mechanisms. For schools, the major challenge is timely and regular return of signed *listings* (receipt signatures). Today, this is not always the case and an often-heard

[1] *Message à la nation de S.E. Monsieur Joseph Kabila Kabange, à l'occasion de sa prestation de serment en qualité de Président de la République élu au suffrage universel direct* (Maiden speech of President Kabila, December 4, 2006).
[2] Speech of Vital Kamerhe, President of the National Assembly (January 9, 2007).
[3] Speech of Prime Minister Gizenga at the National Assembly (February 22, 2007).

argument from Pay Commissions to justify their indispensable role. In Kananga (Kasaï-Occidental) the Head of SECOPEP and the Catholic Provincial Coordinator were arrested[1] by order of the Governor on alleged embezzlement of teachers' salaries simply because school heads (and *gestionnaires*) had not returned their signed payrolls. The principal reasons for late or no-return of payrolls are distance and often unrealistic deadlines imposed by accountants. And yet, the principle is (could be) simple. For instance, *listings* and salaries (of February) arrive at school level and signed *listings* (of January) return. This is an easy-to-implement mechanism that will put a stop to inefficient to-ing and fro-ing. Copies of signed *listings* are then filed by the school, the *gestionnaires* and SECOPEP. Finally, SECOPEP justifies the expenditure in a monthly payment report forwarded to SECOPE (Kinshasa) and locally, to the Governor. With regard to increased answerability in PEM, the opening of bank accounts for *gestionnaires* would certainly contribute to more transparency. In that case, SECOPEP is informed of the arrival of the OV and transfers the salaries directly into the accounts of the *gestionnaires*. Such a mechanism results in enhanced traceability and, last but not least, SECOPEP does not handle any cash. Recommendations are:

7. Open free-of-charge bank accounts for *gestionnaires* to (i) facilitate salary transfers; and (ii) enhance transparency in payroll expenditure;

Picture 12. OD and Division Heads of Finance and Civil Service.
Pay Commissions heighten risks for congestion of the payroll process.
(Kindu, Maniema 2006)

[1] Letter N° MINEPSP/SECOPEP/97/08.1/422/2006 of May 27, 2006. SECOPEP Kananga writes to the Director of SECOPE on his alleged embezzlement of teachers' salaries (Annex 63)

2.2. Reduce costs and delays due to distance

The DRC is a vast country facing (at times titanic) accessibility challenges. Add to this weak local logistical capacity and distance turns into a major issue. Costs and delays are entwined and proportionate to distance. Of course, this is first and foremost an overarching, structural problem nobody can address in one day. Further, findings show only ‘moderate’ to ‘low-flow’ leaks in terms of individual salary loss due to transportation. On the other hand, delays due to distance (and waiting time) are commonplace. Very often it may take several weeks, and in remote places even months, to deliver salaries to teachers. At times, distance-related issues are the product of human nonchalance. In Maniema, many school heads province-wide have to travel to Kindu to fetch their teachers’ salaries because the *gestionnaires* are excluded from the payroll process. For example, school heads from Lubutu (North of Maniema) have to travel more than 300 km. In the past, Lubutu was paid via Kisangani (Orientale Province). At that time, salaries were dispatched on basis of proximity, not provincial borders. It is obvious that use of some common sense to rationalize and reorganize routing and dispatching may already offer ad-hoc solutions in many areas. SECOPE may still have valuable data from the 1980s about that functional network. In addition, a teacher census may be a welcome opportunity to update and map these distances, accessibility issues and then produce realistic cost estimates. Finally, costs are equally proportionate to volume of cash (see example from Shabunda, p.29). Teachers and *gestionnaires* often complain about payments made in small-denomination banknotes. In terms of logistics this should not be underestimated. A load of 10 70kilo-bags in stead of 5 in the back of a vehicle makes a big difference. And then we do not even mention all those anonymous carriers who transport bags of money on their bikes or heads across the country. The human cost in terms of energy and risk is incalculable. Today amounts allocated to transportation of salaries are largely insufficient; realistic cost estimates would at least stop deductions made for transportation. Recommendations include:

8a. Allocate realistic funds for transportation of salaries to eliminate leaks;
8b. Pay teachers in big-denomination banknotes to reduce volume of cash and facilitate transportation;
8c. Set up a functional routing scheme to dispatch salaries;

2.3. Address cash ‘shortages’

Cash ‘shortages’ are located at bank level. Research shows many ‘grey zones’ persist about their origin; at times, ‘shortage’ is not synonym of ‘absence’. Real or fake, they always result in late payment (often weeks) or payment in instalments (up to 5 in Lubumbashi, November 2006). Apart from real liquidity crises due to insufficient deposits or the existence of external circuits (dollars), some of the factors related to late payment can be imputed to negligence. The first one is late arrival of the OV at the bank (see figure 4). All bank mangers interviewed on this subject confirmed the dates of receipt. Then only two explanations are plausible. Either BCC Kinshasa did not forward the OV on time (despite the date of December 23); or BCC province delayed the receipt deliberately. Which one of the hypotheses is correct? Nobody will tell. The second one is poor planning. Payroll expenditure is a recurrent expense and can be anticipated. Bank managers can forward a ‘call for funds’ to BCC Kinshasa as soon as they expect a cash crisis. Does BCC Kinshasa answer these calls diligently? Does BCC province act on time? Again, nobody will tell. Banks often evoke their independency. But when a Governor gives an order for quick payment usually banks obey. Another issue is priority. Teachers are often at the bottom of the list. For reasons of security, the military are privileged. However, Pay Commissions (ODs) ‘naturally’ pay civil servants before teachers. At this point, it might be profitable to recall the pay-related anecdotes from Lubumbashi and Bukavu of December 2006 (p. 28). These strongly suggest nonchalance is part of the problem.

Recommended action is therefore hard to formulate. Are clear, compelling instructions from the Central Bank a satisfying answer? Do Ministries of Finance and Budget really care? Most likely the underlying malaise is 'institutional'; it might therefore need more radical steps. Maybe a first answer lies in the speech[1] of Prime Minister Gizenga at the National Assembly. Referring to a strong State with answerable institutions he envisions "*d'imposer la transparence dans la gestion ainsi que l'obligation de rendre compte et l'obligation de réaliser des résultats*" (to impose budget transparency with a commitment to accountability and performance). Indisputably, strong political signals for combating malpractice at the top, "*c'est par la tête que le poisson commence à pourrir*" (fish starts rotting from the head) are a fresh start.

An alternative route for effective salary delivery is money transfer agencies. Some have country-wide offices. These agencies commit to timely and full payment of salaries. Reportedly one of them only needs 10 days to deliver salaries anywhere in the DRC. If payments are regular (for example, on a monthly basis) they are willing to open new offices in remote places. Their multiple connections in the world of finance and local trade are a precious asset to get cash quickly to beneficiaries. These are routes banks, SECOPEP and *gestionnaires* are not aware of. Of course, this would have a cost. However, in regard to current resources (risk, energy and transportation) these 'stopgap' solutions nevertheless may reveal to be judicious and senseful. Recommendations are:

9. Explore alternative routes for salary delivery (e.g. money transfer agencies) to ensure (more) timely and full payment of salaries;

Picture 13.
Inevitably, logistical challenges augment costs and delays in salary delivery.
(Equator, 2006)

[1] *Discours du premier ministre devant l'Assemblée Nationale*, Uhuru n°856 of February 23-25, 2007 (p.13)

2.4. Ensure correct payment

Missing banknotes in wads is matter for repeated discontent from beneficiaries. Leaks may occur at different levels though intermediaries (public accountants and *gestionnaires*) often point their fingers at banks. Two things are clear, however. First, and logically, risk of leakage is proportionate to number of layers. Second, the phrases "*vérifié à la réception*" (verified upon receipt) and "*mains à mains*"[1] on a B.E.F. (from hand to hand) are jokes. Everybody knows nobody will recount stacks of money; that does not make any sense. And the flaw is precisely located here. For example, money tellers stealing banknotes know they are safe; money is never recounted and has been 'verified' anyway. Clearly, the (multiple) handling of cash is the fix. Opening bank accounts for schools/teachers, for instance, would instantly clear this up. This is probably not on the agenda today but may be feasible in big centers somewhere in the future. In addition, payments with big-denomination bills are likely to solve only half the problem. The volume of cash will certainly diminish but basically nothing will change. People would still count 'bricks'; not banknotes.

Picture 14.
"Verified upon receipt"
A public accountant counts bricks of 500 and 100 CDF banknotes.
(Bukavu, December 2006)

At bank level, sanctions for money tellers and better ex-post controls may help. But as said before, only strong commitment at the top will trigger change. Better provision of service implies first of all efforts from the bank itself. In Bukavu, the BCC is understaffed and the manager uses des "*journaliers*" (day workers) to recount money. Central Banks should learn to regard civil servants as their clients. Today this is not the case. For example, country-wide complaints exist about payments in the late afternoon or at night. This should be strictly forbidden and enforced. Some say cashiers delay payment to be entitled to overtime;

[1] Annex 64 is a B.E.F. from Kindu (September 2006).

presumably, bad planning and nonchalance are often more plausible explanations. Figure 7 identified missing banknotes as low-flow leakage. As said before (p.42-43), this is because deficits are mostly detected at the level of *gestionnaires* (or paymasters) and then equitably 'shared'. Individual salary loss for teachers is therefore relatively small. Soiled banknotes, however, are a different matter. Commonly called *BIC* (*Billets Impropres à la Consommation*) they should be removed from circulation and incinerated. It is not an exception that 10 out of 25 bills in a wad are unusable and refused by market vendors. Evidently, this may represent a significant leak in wallets of individual teachers.

Finally, *mutatis mutandis*, salary delivery by money transfer agencies is an alternative that would guarantee full payment. Recommendations are:

10. Commit banks to enhanced accountability and performance in their natural role of service providers, in particular urge them to
    - schedule payments in the morning exclusively;
    - pay salaries with acceptable, big-denomination banknotes;
    - verify and recount wads *at bank level* to ensure correct payment

3. Eliminate salary zones

The DRC has three 'salary zones' (*zones salariales*). A beginning primary teacher (D6) earns USD 68.8 in Kinshasa, USD 44.3 in Lubumbashi and USD 33.3[1] in other provinces. In other words, a teacher in Kinshasa earns twice as much as his colleague in Kisangani or Mbandaka. Wage disparity based on the place of residence is not only unfair but also unconstitutional and discriminating. It further tends to trigger labor disputes, de-motivation and friction[2]. Unsurprisingly, reports from provinces unanimously denounce this *fait accompli*. First, teachers do not understand this (unjustified) favoritism toward big centers. Second, pay-related issues should be the result of collective bargaining and not be imposed. And this is exactly where the shoe pinches. Any location in the DRC is subject to challenges. In Kindu (Maniema), for instance, a beer costs CDF 1,500 (more or less USD 3). This is three times more than in Kinshasa. True, transportation and housing are daily struggles a *Kinois* has to face. But what about living in a hut without power and running water? Discussions on geographic salary and cost-of-living differentials should therefore equally involve the beneficiaries. Prime Minister Gizenga in his speech at the National Assembly[3] promised "*l'engagement des pourparlers avec les syndicats des fonctionnaires et enseignants*" (to start negotiations with teacher and civil service unions). This is mandatory step toward increased governmental accountability. Recommendations are:

11a. Eliminate salary zones and return to standardized salary scales;
11b. Explore ways of introducing justifiable COLAs [4](e.g. transportation costs for Kinshasa and *prime de brousse* in rural areas);
11c. Actively involve teacher representatives in (any) debate over pay-related issues

4. Conclusion

Effective and sustainable teacher payroll expenditure is built on following load-bearing walls: doable, replicable and reliable.

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[1] USD 1 = CDF 450 (2006).
[2] ILO, Article 117.
[3] Uhuru N°656, p. 14.
[4] Cost of Living Allowances.

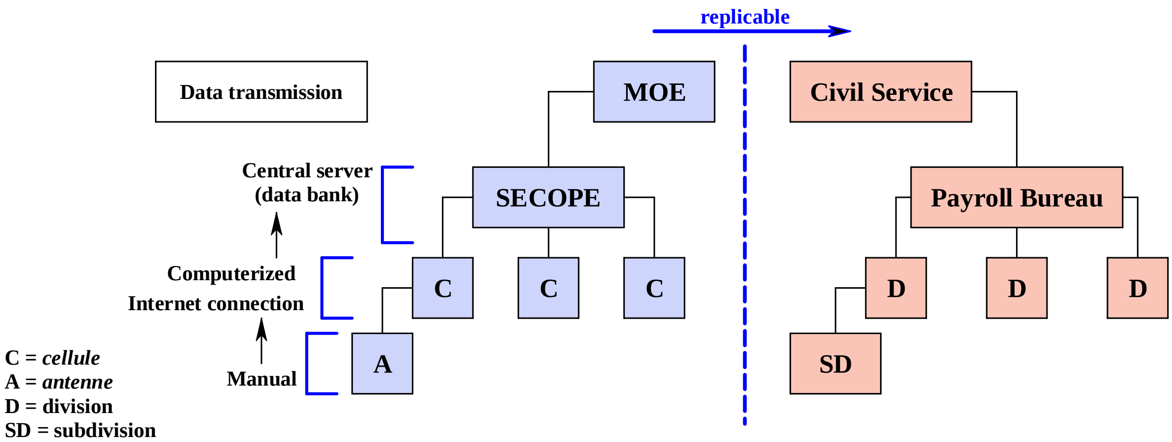
Doable

1. The simplified payroll system fits into an existing institutional framework. First, SECOPE has an operational network of offices country-wide (SECOPEP *cellules* at provincial level and *antennes* at district level). Second, the 'new' trajectory is not an overhaul; it is a return to former payroll expenditure mechanisms and can therefore rely on readily available expertise.
2. A legal framework is in place (or in the pipeline). Certainly, the role of SECOPE needs to be refined but consensus exists about its position of (i) manager of payrolls; (ii) supervisor of teacher payroll expenditure. In addition, the decision of the Council of Ministers (May 2006) is a legal precedent that should accelerate the decision process.
3. In light of the upcoming Decentralization Law, the system offers an easy-to-implement circuit applicable at all levels. Regardless of funds pouring in from central government (MOE) or from provincial bodies, the route basically remains unchanged and operational.
4. Last but not least, sufficient evidence exists on local capacity for initiative and resourcefulness. For example, the way the two parallel 'payrolls' are managed today is certainly not perfect but it *works*. Despite many insufficiencies and irregularities the 'system' continues 'hobbling along'.

Replicable

Ongoing Civil Service reform might benefit from SECOPE and the lessons learned. For both, the bottom line is the maintenance of an updated payroll in the long run. In short, cleanups are not enough; systems should also be (made) sustainable. The structure SECOPE-SECOPEP-SECOPEP *antennes* exists *mutatis mutandis* in the Civil Service sector. SECOPE is a technical service that manages payrolls. Why not imagine then a Payroll Bureau for the Civil Service? Figure 14 roughly outlines the structure. This is, of course, a draft and should be explored further. However, the basic principle is to set up a similar service responsible for daily payroll management via a secure internet connection with HQ in Kinshasa.

Figure 14.
Teacher payroll expenditure:
Replicable model for payroll management



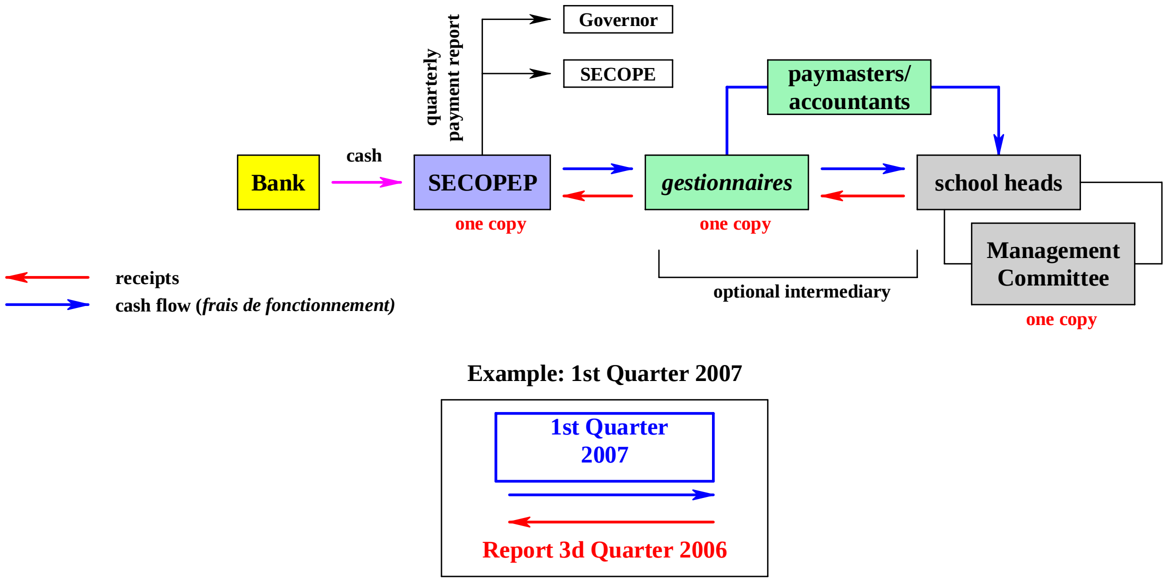
Reliable

Increased financial support to schools and teachers is only possible through a secure, transparent public spending circuit. Figure 15 shows how the payroll *route* is easily adapted to other expenditure flows. However, exact roles of SECOPE and *gestionnaires* in management of non-pay related funds should be clearly defined. Today SECOPE(P) channels the *frais de* *fonctionnement* (running costs) directly to the schools. *Gestionnaires* do not participate. True, this has been a qualified success. Many reports complain about (ongoing) irregularities (including embezzlement). The question is, however, would *gestionnaires* do better? Salaries are property of individuals; but what about running costs? It is obvious that *gestionnaires* in their role as 'managers of schools' may be tempted to interfere. Such interference is perhaps acceptable via ex-post control mechanisms that enhance transparency. The point is, however, formula funding should help alleviate burdens of school fees on households; not management costs of *gestionnaires*. From this viewpoint, SECOPEP occupies a more neutral position. As said before (recommendation 4), only better outlined ethical and professional standards tied to effective disciplinary action may help to limit leakage.

Figure 15 includes both scenarios: (i) SECOPEP transfers the *frais de fonctionnement* to the *gestionnaires* who in turn dispatch the money to their schools; (ii) SECOPEP distributes the money directly to the schools. In both cases, receipts return to SECOPEP. At school level the receipt is signed by the local management committee that supervises the use of the funds. Recommendations to minimize leaks may include:

12a. Allocate *frais de fonctionnement* to *gestionnaires* ;
12b. Allocate realistic funds for transportation of *frais de fonctionnement* (see 8a);
12c. Schedule simultaneous shipment of salaries and running costs

Figure 15.
Public Expenditure Management:
Route for '*frais de fonctionnement*' and return of receipts



Kinshasa, February 2007.

Picture 15.
Basically, Public Expenditure Management (PEM)
is just unspoken trust between provider and client